

Scotiabank
Brasil S.A.
Banco Múltiplo

**Consolidated financial statements in IFRS as of
December 31, 2025 and 2024**

*(A free translation of the original report in Portuguese
as published in Brazil containing financial statements
prepared in accordance with IFRS Accounting
Standards issued by the International Accounting
Standards Board (IASB))*

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Management Report

Presentation

In compliance with Resolution 4818/2020, issued by the National Monetary Council (CMN), we present the consolidated financial statements of Scotiabank Brasil Financial Conglomerate ("Consolidated"), consisting of Scotiabank Brasil S.A. Banco Múltiplo ("Bank") and its wholly-owned subsidiary Scotiabank Brasil S.A. Corretora de Títulos e Valores Mobiliários ("Brokerage Firm"), for the years ended December 31, 2025 and 2024, and notes to the financial statements and independent auditors' report accordance with IFRS Accounting Standards issued by the *International Accounting Standards Board* (IASB), and translated into Portuguese by a Brazilian firm accredited by the *International Reporting Standards Foundation* (IFRS Foundation).

Performance for the year

The Conglomerate closed 2025 with a net income of R\$461,820 thousand, against a net income of R\$319,623 thousand reported in 2024.

The consolidated financial statements calculate the operational limits and the Basel capital requirement according to data from Scotiabank Brasil Conglomerate ("Conglomerate"), made up of the Bank, the Conglomerate's leader and the Brokerage Firm. The Conglomerate had a Basel capital ratio of 30.34% (51.65% in 2024) and minimum equity capital requirement for the amounts of risk-weighted assets (RWA) of R\$722,520 thousand (R\$399,489 thousand in 2024).

Risk management

The consolidated financial statements have a risk department independent from business departments to manage and monitor the risks related to the activities performed.

The frameworks that rule the credit risk, operational risk, market risk, social and environmental risk and capital management activities of the consolidated financial statements, as well as information about risk management, the Capital Requirement and the adequacy of total capital, are available at [https://www.br.scotiabank.com/Regulamentos e Politicas.html](https://www.br.scotiabank.com/Regulamentos_e_Politicas.html).

Corporate Governance – Audit Committee

The Committee is responsible for the quality and integrity of the financial statements of the consolidated financial statements, for compliance with legal and regulatory requirements, for the activities, independence and quality of the work of the internal audit and of the independent audit firm, and for the quality and effectiveness of internal control and risk management systems.

The Committee's assessments are based on the information provided by Management, the internal audit team, external auditors, those in charge of risk management and internal control, and on its own analyses deriving from direct observation.

Other information

In the year ended December 31, 2025, the Bank distributed dividends in the amount of R\$737,398 thousand (R\$309,620 thousand in 2024) and interest on equity capital in the amount of R\$170,000 thousand (R\$198,525 thousand in 2024), net of applicable taxes. In the same period, share capital increased by R\$170,000 thousand (R\$198,525 thousand in 2024), paid in using shareholder receivables from the distribution of interest on equity capital.

The fees paid to external auditors for audit and non-audit services are annually disclosed in the *Annual Report* of The Bank of Nova Scotia ("BNS").

Executive Board



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Independent Auditors' Report on the Consolidated Financial Statements

To

Shareholders and Management

SCOTIABANK BRASIL S.A. BANCO MÚLTIPLO

São Paulo – SP

Opinion

We have audited the consolidated financial statements of Scotiabank Brasil S.A. Banco Múltiplo (the "Bank"), which comprise the consolidated statements of financial position as of December 31, 2025, and the related consolidated statements of income, comprehensive income (loss), changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Scotiabank Brasil S.A. Banco Múltiplo as of December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards issued by *International Accounting Standards Board (IASB)*.

Basis for Opinion

We conducted our audit in accordance with International and Brazilian Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent from the Bank and its subsidiaries in accordance with the ethical requirements that are relevant to our audit of the financial statements and are set forth on the Professional Code of Ethics for Accountants and on the professional standards issued by the Regional Association of Accountants applicable to the audit of the financial statements of public-interest entities in Brazil. We also fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the individual company and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement and valuation of derivative financial instruments and financial assets

See Notes 3.e and 5 to the consolidated financial statements.

Key audit matter	How the matter was addressed in our audit
<p>As disclosed in notes 3.e and 5, the Bank has derivative financial instruments transactions and financial assets measured at fair value through profit or loss.</p> <p>The calculation of the fair value of these derivative financial instruments and financial assets is based on prices, rates or information collected from independent sources. The market and credit risks associated with these products, as well as the operational risks, are similar to those observed in other types of financial instruments.</p> <p>Due to the relevance of derivative financial instrument transactions and financial assets and the results they generate, we considered this a key audit matter.</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> – Evaluating the design and implementation of the Bank's key internal controls related to the approval, recording and inflation adjustment of transactions to measure the fair value of financial instruments; – Recalculating, when applicable, on a sample basis, the fair value of financial instruments, using observable market information such as exchange rates, economic indices and other rates disclosed by regulatory or market entities, with the technical support of experts in financial instruments, when necessary; – We assessed whether disclosures in the financial statements are in accordance with the applicable accounting standards and include relevant information. <p>According to the evidence obtained from the procedures summarized above, we considered that the measurement and valuation of financial instruments, as well as the related disclosures, are acceptable in the context of the financial statements taken as a whole for the year ended December 31, 2025.</p>

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS Accounting Standards, issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank and its subsidiaries or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's and its subsidiaries' financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Brazilian and international standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Brazilian and international standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's and its subsidiaries' internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's and its subsidiary's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank and its subsidiary to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We have planned and performed the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for directing, supervising and reviewing the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, March 31, 2026

KPMG Auditores Independentes Ltda.
CRC 2SP-014428/O-6

Original report in Portuguese signed by

Luciana Liberal Sâmia
Accountant CRC 1SP198502/O-8

SCOTIABANK BRASIL S.A. BANCO MÚLTIPLO

Consolidated statements of financial position as of December 31, 2025 and 2024

(In thousands of reais)

Assets	Note	2025	2024
Cash and cash equivalents	4	4,120,071	3,448,589
Financial assets at fair value through profit or loss		1,365,165	478,062
Securities	5a	72,189	61,936
Derivative financial instruments	5b	1,292,976	416,126
Financial assets measured at fair value in OCI		2,382,321	2,312,361
Securities	6a	2,382,321	2,312,361
Financial assets measured at amortized cost		9,102,970	7,134,834
Interbank funds applied	7a	4,862,283	5,626,524
Securities	7b	2,158,619	-
Loans operations	7c	1,920,682	1,383,897
Other financial assets	10th	161,386	124,413
Allowance for expected losses associated with credit risk	9	(1,906)	(1,413)
Other assets	10th	82,847	42,961
Deferred tax assets	15b	372,664	481,456
Property and equipment in use	11	36,649	40,472
Other property and equipment for use		32,493	31,506
Right-of-use		21,775	35,906
(Accumulated depreciation)		(17,619)	(26,940)
Intangible assets	12	125	2,292
Intangible assets		900	6,345
(Accumulated amortization)		(775)	(4,053)
Total assets		17,460,906	13,939,614

See the accompanying notes to the financial statements.

SCOTIABANK BRASIL S.A. BANCO MÚLTIPLO

Consolidated statements of financial position as of December 31, 2025 and 2024

(In thousands of reais)

Liabilities	Note	2025	2024
Financial liabilities at fair value through profit or loss		1,347,797	5,233,615
Derivative financial instruments	5b	347,203	4,223,603
Money market funding	5c	1,000,594	1,010,012
Financial liabilities measured at amortized cost		11,733,794	4,340,995
Deposits	7d	1,445,048	936,472
Proceeds from issuance of bills	7e	967,978	-
Borrowings	7f	7,076,915	1,995,663
Onlendings	7g	1,661,148	1,250,924
Other financial liabilities	10b	582,705	157,936
Other liabilities	10b	536,261	46,141
Lease liabilities		19,897	23,623
Tax liabilities		679,049	845,307
Currents		222,032	135,286
Deferred	15b	457,017	710,021
Provisions for contingencies	13c	25,685	30,639
Shareholders' equity		3,118,423	3,419,294
Capital	14a	2,995,473	2,825,473
Profit reserves		115,847	602,305
Other comprehensive income		1,285	(3,422)
Non-appropriated retained earnings		5,818	(5,062)
Total liabilities		17,460,906	13,939,614

See the accompanying notes to the financial statements.

SCOTIABANK BRASIL S.A. BANCO MÚLTIPLO

Consolidated statements of income

Years ended December 31, 2025 and 2024

(In thousands of reais)

	Note	<u>2025</u>	<u>2024</u>
Net interest income	19	670,334	739,325
Interest income		1,387,348	1,217,758
Interest expense		(717,014)	(478,433)
Income (loss) on provision for expected losses associated with credit risk		(494)	(32,547)
Operating revenues		147,343	(108,247)
Net gains (losses) on financial assets and liabilities measured at fair value through profit or loss	5d	(871,073)	1,495,856
Net gains (losses) on financial assets and liabilities measured at fair value in OCI	6b	303,388	191,848
Net foreign exchange gains (losses) on foreign currency transactions	7 a.m.	678,567	(1,833,186)
Income from services and commissions	22	36,461	37,235
Gross profit		817,183	598,531
Operating expenses		(280,123)	(211,545)
Personnel expenses	20	(177,409)	(135,542)
Other administrative expenses	21	(52,589)	(38,906)
Tax expenses		(64,894)	(36,276)
Other operating revenues (expenses)		16,232	7,639
Reversals of/(expenses with) provision for contingencies		4,957	(1,551)
Depreciation and amortization		(6,420)	(6,909)
Non-operating income (loss)		(1,299)	(212)
Profit before taxes		535,761	386,774
Income tax and social contribution	15a	(73,941)	(67,151)
Provision for income tax		35,508	(21,334)
Provision for social contribution tax		(3,483)	(18,338)
Deferred tax assets		(105,966)	(27,479)
Net income for the years		461,820	319,623
Attributable to controlling shareholders		461,820	319,623
Weighted average number of shares		107,634	101,192
Basic and diluted earnings per share - R\$		4,290.64	3,158.58

See the accompanying notes to the financial statements.

SCOTIABANK BRASIL S.A. BANCO MÚLTIPLO

Consolidated statements of comprehensive income

Years ended December 31, 2025 and 2024

(In thousands of reais)

	<u>2025</u>	<u>2024</u>
Net income for the years	<u>461,820</u>	<u>319,623</u>
Financial assets measured at fair value in OCI	<u>7,706</u>	<u>(5,721)</u>
Securities	7,706	(5,721)
Financial liabilities measured at fair value through profit or loss	<u>881</u>	<u>-</u>
Own credit risk adjustment - Derivative financial instruments	881	-
Tax impact	<u>(3,879)</u>	<u>2,546</u>
Total comprehensive income	<u>466,528</u>	<u>316,448</u>
Attributable to controlling shareholders	466,528	316,448

See the accompanying notes to the financial statements.

SCOTIABANK BRASIL S.A. BANCO MÚLTIPLO

Consolidated statements of changes in shareholders' equity

Years ended December 31, 2025 and 2024

(In thousands of reais)

	Capital	Capital increase	Profit reserves		Other comprehensive income	Non-appropriated retained earnings	Total
			Legal	Statutory			
Balances as of December 31, 2023	2,437,823	189,125	76,850	745,055	(247)	(1,106)	3,447,500
Capital increase - Approved	189,125	(189,125)	-	-	-	-	-
Capital increase – Pending approval	-	198,525	-	-	-	-	198,525
Equity valuation adjustments	-	-	-	-	(3,175)	-	(3,175)
Payment of interest on own capital	-	-	-	-	-	(233,559)	(233,559)
Payment of dividends	-	-	-	(309,620)	-	-	(309,620)
Profit for the year	-	-	-	-	-	319,623	319,623
Allocations:							
Legal reserve	-	-	16,179	-	-	(16,179)	-
Statutory reserves	-	-	-	73,841	-	(73,841)	-
Balances as of December 31, 2024	2,626,948	198,525	93,029	509,276	(3,422)	(5,062)	3,419,294
Capital increase – Approved	286,500	(198,525)	-	-	-	-	87,975
Capital increase – Pending approval	-	82,025	-	-	-	-	82,025
Equity valuation adjustments	-	-	-	-	4,707	-	4,707
Payment of interest on own capital	-	-	-	-	-	(200,000)	(200,000)
Payment of dividends	-	-	-	(308,400)	-	-	(308,400)
Net income for the year	-	-	-	-	-	461,820	461,820
Allocations:							
Legal reserve	-	-	22,579	-	-	(22,579)	-
Statutory reserves	-	-	-	228,361	-	(228,361)	-
Payment of dividends	-	-	-	(428,998)	-	-	(428,998)
Balances as of December 31, 2025	2,913,448	82,025	115,608	239	1,285	5,818	3,118,423

See the accompanying notes to the financial statements.

SCOTIABANK BRASIL S.A. BANCO MÚLTIPLO

Consolidated statement of cash flows

Years ended December 31, 2025 and 2024

(In thousands of real)

	<u>2025</u>	<u>2024</u>
Net cash from operating activities		
Net income	<u>461,820</u>	<u>319,623</u>
Adjustments to net income	<u>86,951</u>	<u>109,943</u>
Expense of provision for expected losses associated with credit risk	494	32,547
Depreciation and amortization	6,420	6,909
Loss on the write-off of property, plant and equipment and intangible assets	1,354	170
Loss on the write-off of investment	-	6
Income tax and social contribution	73,941	67,151
Expense on provision for contingent liabilities and legal obligations	1,431	1,551
Lease interest expense	3,311	1,609
Changes in assets and liabilities	<u>(2,862,923)</u>	<u>3,245,046</u>
(Increase)/Decrease in securities	(73,000)	(396,381)
(Increase)/Decrease in derivative financial instruments	(4,752,369)	7,924,100
Decrease in interbank funds applied	764,134	157,954
(Increase) in loans operations	(536,106)	(1,122,336)
Increase/(Decrease) in money market funding	(9,417)	123,271
Increase/(Decrease) in deposits	508,576	(3,662,171)
Increase in resources due to the issuance of bills	967,978	-
Decrease in other assets	10,254	111,057
Increase in other liabilities	485,811	128,750
(Decrease) in provisions for contingencies	(6,387)	(1)
Increase/(Decrease) in tax obligations	(135,287)	17,072
Income tax and social contribution paid	(87,110)	(36,269)
Net cash from operating activities	<u>(2,314,152)</u>	<u>3,674,612</u>
Cash flows from investing activities		
Acquisition of property and equipment for use	(3,631)	(11,704)
Acquisition of intangible assets	(3)	(137)
(Increase)/decrease in securities	(2,158,619)	74,019
Net cash from investing activities	<u>(2,162,253)</u>	<u>62,178</u>
Cash flows from financing activities		
Capital increase	170,000	198,525
Payment of interest on equity capital	(200,000)	(233,559)
Payment of dividends	(308,400)	(309,620)
Lease payment	(5,188)	(3,732)
Increase/(Decrease) in borrowings and onlendings	5,491,475	(3,658,471)
Net cash (used in) financing activities	<u>5,147,887</u>	<u>(4,006,857)</u>
Increase/(Decrease) in cash and cash equivalents	<u>671,482</u>	<u>(270,067)</u>
Cash and cash equivalents at beginning of year	3,448,589	3,718,656
Cash and cash equivalents at end of year	<u>4,120,071</u>	<u>3,448,589</u>
Increase/(Decrease) in cash and cash equivalents	<u>671,482</u>	<u>(270,067)</u>

See the accompanying notes to the financial statements.

Notes to the consolidated financial statements

(In thousands of reais)

1 Operations

Scotiabank Brasil S.A. Banco Múltiplo ("Bank"), located at Brigadeiro Faria Lima, 2.277 – 7º andar, São Paulo - Brazil, is organized and authorized to carry out its activities as a multiple bank and to operate through investment and commercial portfolios, including foreign exchange portfolios.

The Bank's shareholders are The Bank of Nova Scotia ("BNS") and BNS Investments Inc. (a wholly owned investee of BNS), both located in Canada.

2 Presentation of the Consolidated Financial Statements

The consolidated financial statements were prepared in accordance with Resolution 4818/2020, issued by the National Monetary Council (CMN), which establishes that the financial institutions that are leaders of the prudential conglomerate classified into Segment 1 (S1), Segment 2 (S2) or Segment 3 (S3), according to specific regulations, must prepare consolidated annual financial statements in accordance with IFRS Accounting Standards and interpretations of the *International Financial Reporting Interpretations Committee* (IFRIC), as approved by the *International Accounting Standards Board* (IASB) and translated into Portuguese by a Brazilian firm accredited by the *International Financial Reporting Standards Foundation* (IFRS Foundation).

The authorization for issuance of these financial statements was given by the Executive Board on March 27, 2026.

(i) Use of assumptions, estimates and judgments

The results of the Bank and its subsidiary are subject to the accounting estimates, policies and assumptions inherent in the preparation of its consolidated financial statements.

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts presented as assets, liabilities, income and expenses. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed periodically. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in all subsequent periods affected.

The critical judgments and assumptions that affect the application of accounting policies have the most significant effect on the amounts recognized in the consolidated financial statements are:

a. *Provision for expected credit loss (ECL) on financial assets*

IFRS 9 impairment requirements require an expected credit loss model considering assumptions such as:

Determining criteria for a significant increase or decrease in credit risk: by tracking credit risk indicators, continuously monitoring the financial situation of counterparties and obtaining information to the public, it is possible to determine whether there has been a significant increase or decrease in credit risk.

Term: the maximum contract term is considered as the time of exposure to credit risk when there is a defined maturity date, otherwise the expected life of the financial asset is estimated according to the period of exposure to credit risk.

Forward-looking information: use of *forward-looking* information, such as macroeconomic expectations, to reflect the impacts of future events on expected losses.

Probability-weighted loss scenarios: use of unbiased and weighted macroeconomic scenarios to estimate the expected loss within an appropriate time frame.

Note 9b details the changes in the ECL allowance for the year.

b. *Measurement of the fair value of financial instruments*

Specific techniques are applied to determine the fair value of financial instruments that are not traded in active markets and for which market prices and parameters are not available. This calculation incorporates assumptions under management's judgment, which takes into consideration the evaluation of market information and circumstances.

c. *Deferred tax assets and liabilities*

Deferred tax asset is recognized when it is probable that future taxable profits will be offset against deductible temporary differences. The recognition of a deferred tax asset depends on management's judgments regarding the likelihood and sufficiency of future taxable profit, future reversals of existing taxable temporary differences and tax planning strategies.

The amount of deferred tax assets recognized is based on evidence available about conditions at the reporting date and requires Management to make significant judgments, particularly those based on Management's estimates for business growth and credit losses. Management's judgment takes into account the impact of negative and positive evidence, including past financial results and forecasts of future taxable profit.

Deferred tax liabilities consist of tax liabilities and are recognized when they are reported. Note 15b sets out more detailed information about deferred taxes.

d. Provisions for legal proceedings

Provisions are liabilities originated in the past and have an uncertain amount or deadline. They are recognized in the consolidated financial statements when the risk of losses is considered probable, with a probable outflow of funds for the settlement of the obligations and when the amounts involved may be estimated reliably.

A contingent liability is a possible obligation generated by past events that will be confirmed only by the occurrence or not of one or more uncertain future events that cannot be fully controlled by Management, or a present obligation of past events that has not been recognized because it is not probable that an outflow of funds embodying the economic benefits required to settle the obligation is not probable, or the amount of that obligation cannot be measured reliably. Therefore, a provision is not recognized in these consolidated financial statements, but only disclosed.

The realization of contingent assets will be confirmed by the occurrence or not of one or more future uncertain events that cannot be fully controlled by management. They are not recognized in the consolidated financial statements, except when a final decision is rendered at the final court.

(ii) Reconciliation between the balances presented in BACENGAAP and IFRS

The reconciliation between the balances presented in accordance with Brazilian accounting policies applicable to the institutions authorized to operate by BACENGAAP and the IFRS Accounting Standards, of Shareholder's Equity and Net Income for the years ended December 31, 2025 and 2024:

	Note	2025	2024
Profit for the year in accordance with accounting policies applicable to the institutions authorized to operate by the Central Bank of Brazil		451,5 77 10,24	323,5 79 (3,956)
IFRS Settings		3	(3,956)
Net gains (losses) from operations in foreign currencies and exchange-rate variation		14,61	25,12
Net gains (losses) on financial assets and liabilities measured at fair value through profit or loss	(a)	3 (35)	9 -
Income (loss) from provision for expected losses associated with credit risk	(b)	1,395)
Reversal of provision for contingencies		177	139
Other administrative expenses		1,526	(1,069)
Other non-operating income		-	(713)
Income tax and social contribution	(c)	(7,433)	3,374
Net income for the year according to IFRS		461,8 20	319,6 23
	Note	2025	2024
Shareholders' equity according to the accounting policies adopted in Brazil		3,112,584	3,423,901
IFRS adjustments from prior years		(3,970)	(1,043)
IFRS adjustments for current years		9,809	(3,564)
Retained earnings		17,675	(7,329)
Equity valuation adjustment		(433)	392
Deferred income and tax on social contribution	(c)	(7,433)	3,373
Shareholders' equity according to IFRS		3,118,423	3,419,294

a. Conversion of operations in foreign currencies and exchange-rate variation

Adjustments for the difference between the PTAX exchange rate, provided by the Central Bank of Brazil, and the closing SPOT exchange rate.

b. Allowance for impairment loss on loans

Adjustments for difference between the concept of incurred loss established by the Central Bank of Brazil (until December 31, 2024) and the concept of expected loss contained in IFRS Accounting Standards (IFRS 9).

c. Deferred income tax and social contribution

Consists of the recognition of deferred taxes related to adjustments for convergence to international standards.

3 Material accounting policies

The accounting policies listed below were applied in all periods presented in the consolidated financial statements and have been applied consistently by the Bank and its subsidiary.

a. Basis of consolidation and measurement

According to IFRS 10 - Consolidated Financial Statements, subsidiaries are all entities in which Scotiabank Brasil S.A. Banco Múltiplo has control.

The consolidated financial statements comprise the consolidated accounts of Scotiabank Brasil S.A. Corretora de Títulos e Valores Mobiliários (Subsidiary), located in Brazil, over which the conglomerate's leading institution, the Bank, has direct control of 100% in 2025 (100% in 2024).

Intra-group balances and transactions, including any unrealized gains or losses arising from intra-group transactions, are eliminated in consolidation.

The consolidated financial statements have been prepared on the amortized cost basis, except for financial assets measured at fair value through profit or loss and other comprehensive income, derivative financial instruments (assets and liabilities) measured at fair value through profit or loss.

b. Functional and presentation currency

These consolidated financial statements are presented in Brazilian reais, which is the functional and presentation currency of Scotiabank Brasil S.A. Banco Múltiplo and its subsidiary. Except when otherwise indicated, information is expressed in thousands of Reais (R\$(000)) has been rounded to the nearest thousand.

c. Foreign currency transactions and balances

Transactions in foreign currencies are initially recognized at the functional currency at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated or settled in foreign currency are translated at the exchange rate of the functional currency at the reporting date. All translation differences are recognized in profit or loss on the accrual basis.

d. Cash and cash equivalents

Cash and cash equivalents comprise cash balances in local currency, foreign currency, reverse sale-and-repurchase agreements and interbank funds applied, except restricted-use funds, with maturities of three months at most from the effective date of investment and pose an insignificant risk of changes in fair value.

e. Financial instruments

(i) Initial recognition

Assets and liabilities are recognized on the trade date, when the Bank and its subsidiary become a party to the contractual provisions of the instrument. Initial recognition is made at fair value plus transaction costs directly attributable to its issue or acquisition, except when assets and liabilities are measured at fair value through profit or loss, in which case transaction costs are not included, or when the instrument is a receivable that is initially measured at transaction amount, as set forth by *IFRS 15 - Revenue from Contracts with Customers*.

(ii) Classification and subsequent measurement of financial assets

Financial instruments are classified according to the contractual characteristics of cash flows and the business model under which assets are managed by the Bank.

The **business model** reflects how the Bank manages its financial assets to generate cash flows; management's assessment considers, among others, the following factors: (i) how the performance of the business model and financial assets are reported to key management personnel; (ii) the risks that affect its performance and the way those risks are managed; and (iii) how managers of the business are compensated. Therefore, management determines whether the cash flows from financial assets result from the receipt of contractual cash flows, sale of financial assets or both.

When analyzing contractual cash flows, management performs the **SPPI (Solely Payment of Principal and Interest)** test, which consists only of payments of principal and interest. If contractual terms expose the Bank to risks or volatility in cash flows, then the financial instrument will be measured at fair value through profit or loss.

Amortized cost: the financial assets measured in this category have cash flows with contractual characteristics only of payments of principal and interest and a business model whose objective is to obtain contractual cash flows. They are recognized at amortized cost using the effective interest rate and finance charges are recognized on the accrual basis in profit or loss for the period as interest income.

Effective interest rate: is the rate that discounts the payments or receipts from the estimated future cash flows over the expected life of the financial asset or liability. In making the calculation, the cash flow estimate considers all contractual terms of the financial instrument and includes commissions, transaction costs and discounts or premiums that are an integral part of the effective interest rate.

Fair value through profit or loss: financial assets are measured in this category when the characteristics of the contractual cash flows do not represent solely payments of principal and interest, when management keeps them in a business model whose objective is to sell them. They are recognized initially at fair value and their earnings are recognized as operating income. In subsequent measurement, realized and unrealized gains and losses arising from changes in fair value are recognized in profit or loss on the accrual basis.

Fair value in other comprehensive income: financial assets are measured in this category when their cash flows have the contractual characteristics only of payments of principal and interest and are held by management in a business model whose objective is both to obtain contractual cash flows and to sell them. They are recognized initially at fair value plus directly attributable transaction costs. On subsequent measurement, changes in fair value are recognized in equity as other comprehensive income, net of tax effects. Interest income is recognized in profit or loss on the accrual basis. On the disposal of the investment, the cumulative gain or loss previously recognized in equity is recognized in the statement of profit or loss for the period.

Financial instruments considered as hedge against market risk are intended to offset the risks arising from exposure to fluctuation in the market value of the *hedged* item. Their valuation or devaluation is accounted for as an offsetting entry to revenue or expense accounts in profit or loss. On initial designation of the derivative as a hedging instrument, the Bank formally documents the relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the *hedging* relationship, considering conventional calculation methods. The Bank makes an assessment, both at the inception of the *hedge* relationship as well as on an ongoing basis, of whether the *hedging instruments are expected to* be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items attributable *to the hedged risk*, and *whether the actual results of each hedge* are within the 80% and 125% range.

(iii) Fair value of financial instruments, including derivative financial instruments

Fair value is the price that would be received for the sale of an asset or the transfer of a liability in an orderly transaction under current main market conditions on the measurement date, regardless of whether the price is directly observable or estimated using another valuation technique.

The financial instruments of the Bank and its subsidiary basically consist of debt instruments, government bonds, loans to clients and derivative financial instruments. Accordingly, if a quoted price is not quoted in an active market and it is not possible to identify transactions with a similar financial instrument, the fair value of financial instruments is measured according to valuation methodologies widely used in the market, such as the present value method obtained from the discounted cash flows (for *swaps*, futures and forward contracts), under this method, future cash flows are projected according to the instruments' profitability indexes and are discounted to present value considering the terms and discount curves.

The primary sources used for each class of financial assets are: Anbima/BACEN (government bonds) and B3 (private bonds and derivative financial instruments).

The Bank has investments in shares of the closed company Núclea, arising from the demutualization of CIP – Interbank Clearing House of Payments, which are classified into level 3 of the fair value hierarchy, as explained in note 8.

The determination of fair values is based on the equity disclosed in the annual financial statements of Núclea.

(iv) Hierarchy of the fair value of financial instruments

In order to increase the consistency and comparability of fair value measurements and related disclosures, a fair value hierarchy has been established that classifies the information (inputs) applied to the valuation techniques used to measure fair value into three levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

Fair value is determined according to the following hierarchy:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(v) Classification and measurement of financial liabilities

Financial liabilities are initially recognized at fair value, which is the net amount of directly attributable costs incurred and subsequently measured at amortized cost, except for derivative financial instruments, which are irrevocably measured at fair value through profit or loss.

(vi) Modification and derecognition of financial assets and liabilities

If the cash flows of a financial asset are renegotiated without any significant change in its terms and conditions, neither the Bank nor its subsidiary write off the asset. However, the gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows, discounted using the original effective interest rate, and the effects of the change are recognized in profit or loss for the period. When renegotiation or modification substantially changes the terms and conditions of the financial asset, entities derecognize the original asset and recognize a new one. The renegotiation date is considered for the initial recognition.

A significant change in the terms of a financial liability is accounted for as the termination of the original financial liability and a new one is recognized.

A substantial modification of contractual terms occurs when the present value of discounting cash flows under the new terms, including any rates paid/received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the financial liability.

Financial assets are derecognized when:

The contractual rights to the cash flows from the asset expire; or

It transfers the rights to receive the contractual cash flows in a transaction where:

Substantially all the risks and rewards of ownership of the financial asset are transferred; or

The entity neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the financial asset.

Financial liabilities are written off when the obligation set forth in the agreement is terminated, canceled or falls due.

(vii) *Offsetting of financial assets and liabilities*

Financial assets and liabilities must be offset and the net amount reported in the balance sheet only, if there is a current legal and enforceable right to settle the amount at its net balance and if the asset and the liability are intended to be settled simultaneously.

(viii) *Impairment of financial assets*

The Bank and its subsidiary apply the three-stage approach to measure credit losses, using the concept of expected credit loss as required by IFRS 9 - *Financial Instruments*, for the following categories of assets which are not measured at fair value through profit or loss:

Financial assets measured at amortized cost;

Debt instruments classified at fair value through OCI;

Credit commitments recognized in memorandum accounts; and

Warranty agreements.

Expected credit loss model

The model adopted for calculating impairment on financial assets is based on the concept of expected credit loss. In this sense, all transactions are expected to lose from the moment they originate and are tracked as the credit risk situation changes.

Impairment loss is calculated using statistical models considering the following factors:

PD – *Probability of default*: is the probability that the instrument will not be honored by the counterparty within the observed time frame.

LGD – *Loss Given default*: is an estimate based on the history of reported losses weighted by the respective portfolio rates. The credit risk is the ratio of the amount not recovered by the creditor to the amount exposed to risk, taking into account the guarantees associated with the loans.

EAD – Exposure at Default : is an estimate of exposure on the future date of default, taking into account expected changes in exposure after the reporting date of the consolidated financial statements, including payments of principal and interest, use of limits and interest calculated on unrealized payments.

The valuation of financial assets is performed in three stages:

Stage 1 – Normal course transactions: assets classified into this stage are considered normal transactions, overdue for less than or equal to 30 days, and do not incur a significant increase in credit risk. In this case the expected loss is calculated over the next 12 months.

Stage 2 – Transactions with a significant increase in credit risk: assets classified into this stage have been overdue for more than 30 days or have shown a significant increase in credit risk. Renegotiated loans are also included. In this case the expected loss is calculated until the end of the asset's life.

Stage 3 – Problematic transactions: assets that fall into this stage are financial instruments that have become credit-impaired and are in default either quantitatively (assessed according to days in arrears - 90 days) or qualitatively, characterized by indications that the customer will not fully honor the loan transaction. In this case the expected loss is calculated through the end of the asset's life.

The classification of assets into stages is reviewed periodically considering risk assessment processes to capture possible changes in the client's financial capacity and prospective economic scenarios. Transfers between stages may occur when the analysis shows an improvement or worsening of the credit risk of the transaction.

Forward looking

The expected credit loss estimate for each stage and the assessment of significant risk enhancement considers information about past events and current conditions, as well as predictions of reasonable and sustainable future events and economic conditions. Such estimates may require significant judgment.

Macroeconomic factors

In its model, the Bank relies on a *range* of external information for inputs, such as: GDP growth, unemployment rate, benchmark interest rate and market prices. The inputs and models used to calculate ECLs may not always capture all market characteristics on the date of the consolidated financial statements.

Significant increase in credit risk

At each reporting period the Bank and its subsidiary assess whether there has been a significant increase in credit risk for exposure since initial recognition, comparing the risk of default occurring from the initial recognition date to the reporting date until the asset's final life. The valuation considers the borrower's quantitative and qualitative information, without considering guarantees and forward-looking information about economic factors.

Common assessments of significant risk increases include macroeconomic outlooks, Management's judgment, monitoring, and overdue transactions. The importance and relevance of each macroeconomic factor depends on the type of product, the characteristics of the financial instrument and the borrower and the geographic region. Quantitative models are not always able to capture all reasonable and sustainable information that may indicate a significant increase in risk. Qualitative factors may be evaluated to complement the analysis. With respect to monitoring and delayed transactions, there is a refutable presumption that there has been a significant increase in credit risk since initial recognition of financial instruments overdue for more than 30 days.

Definition of default

The Bank considers as default a financial instrument that has one or more loss events that occurred after initial recognition and such events have a negative impact on the estimated future cash flows of the instrument, provided that this impact can be estimated reliably.

Financial assets that have defaulted and are overdue for more than 90 days are considered to be problematic assets.

Write-off to loss

The Bank writes off a problematic financial asset (and the related expected credit loss allowance), partially or totally, when there is no realistic prospect of recovery of the loan. For secured financial assets, the *write-off* is made after the collateral is provided. When the net realizable value of the guarantee has been determined and there is no reasonable expectation of further recovery, the *write-off* can be performed earlier. In subsequent periods, recoveries of assets written off as loss are credited as "Other operating revenues" in the consolidated statements of income.

f. Net income (loss) from services and commissions

The Bank and its subsidiary earn service revenues and commissions from the various types of services they provide to their clients. Fees earned from services are accrued over the same period during which services are rendered. Revenue from contracts with customers is recognized in accordance with the principles described in IFRS 15 at the amount that reflects the consideration to which the entity expects to be entitled in exchange for those products or services. Revenue recognition occurs according to the following steps:

- Identifying the contract and performance obligations;
- Determining the transaction price;
- Allocation of the transaction price; And
- Revenue recognition.

Expenses on services and commissions paid are recognized over the period in which services are rendered.

If there is an associated financial instrument and the income or expenses arising from fees and commissions that are considered as part of the effective interest rate, they are no longer recognized under IFRS 15 and start to be recognized considering the IFRS 9 precepts, in a deferred manner in profit or loss over the flow and term of the financial instrument.

g. Non-financial assets

Property and equipment in use: consist of assets and rights whose subject matter are tangible assets aimed at the maintenance of the Bank's activities or exercised to that end. New property and equipment are recognized at cost. Depreciation of fixed assets is calculated and recorded according to the straight line method at rates that take into consideration the useful lives of the assets.

Item	Estimated useful life
Furniture, equipment and facilities	10 years
IT equipment	5 years
Leasehold improvements	10 years
Right of use	5 years

Intangible assets: are vested rights to assets lacking physical substance for the maintenance of the Bank's activities, or exercised to that end. New intangible assets are recognized at cost. Intangible assets with defined useful lives are amortized on a straight-line basis in profit or loss over the estimated period of economic benefit.

Item	Estimated useful life
<i>Software</i>	5 years

Investments are stated at acquisition cost, less impairment loss, when applicable.

h. Impairment of non-financial assets

Non-financial assets, such as property, plant and equipment and intangible assets, are tested for impairment, at least annually, or whenever signs of impairment are reported. When the carrying amount of an asset exceeds its recoverable amount, the loss is recognized directly in profit or loss.

As of December 31, 2025 and 2024, no impairment losses were reported.

i. Leases

The Bank mainly acquires immovable property (underlying assets) to carry out its business activities. The initial recognition occurs at the signature of the agreement as Other Liabilities, which corresponds to the present value of total future payments against the Right-of-Use Asset, depreciated on a straight-line basis over the lease term and tested annually for possible impairment losses. The finance expense related to interest on the lease liability is recognized as Other operating income/expenses in the consolidated statements of profit or loss.

j. Income and social contribution

The provision for income tax is formed at the rate of 15% plus taxable income, plus surcharge of 10% on taxable income exceeding R\$240 for income tax. The social contribution tax is calculated at the rate of 20% on taxable profit.

As of December 31, 2025, the Bank has deferred tax credit assets from income and social contribution calculated, arising from temporary differences, income and social contribution tax losses.

Tax Credits whose realization is expected to occur in future periods were recorded at the rate of 25% for Income Tax and 20% for Social Contribution.

In compliance with current standards, the historical taxable results and short and medium projections prepared by the Bank enable a reasonable estimate of the term of realization of these assets (Note 15c).

Pursuant to *IAS 12 – Income Taxes*, for presentation purposes, the Bank and its subsidiary offset current taxes which are related to income taxes, assessed by the same tax authority and with the same realization/payment period, for which there is a legal right to offsetting.

k. PIS and COFINS

PIS contributions are calculated at the rate of 0.65% and COFINS at the rate of 4%, pursuant to the legislation in force.

l. Contingent assets and liabilities

Contingent assets are not recognized in the consolidated financial statements, except when evidence of their realization is available and may not be appealed.

Lawsuits are classified as probable, possible or remote loss, and a provision is accrued for those whose unfavorable outcome is considered probable, according to an estimate of the amount of unfavorable outcome, taking into consideration the opinion of our legal counselors, the nature of lawsuits and the courts' position for similar cases. The proceedings whose unfavorable outcome is considered possible are only disclosed and those whose unfavorable outcome is considered remote do not require accrual or disclosure.

m. Share-based payments

Qualified employees of the Bank participate in stock-based compensation plans, which are evaluated based on the price of the common share of BNS.

The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

The fair value of the amount payable to employees in respect of share appreciation rights (SARs), which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the SARs. Any changes in the liability are recognized in profit or loss as personnel expenses.

n. Post-employment employee benefits

Employee benefits, consisting of short-term benefits granted to current employees, are recognized on the accrual basis and are expensed as the related service is provided.

Post-employment or long-term benefit plans are formal or informal arrangements whereby the Bank undertakes to provide post-employment benefits to one or more employees, according to prevailing rules.

Defined contribution plans are post-employment benefits whereby the Bank, as sponsor, pays fixed contributions into a separate entity (fund), and has no legal or constructive obligation to pay additional contributions if the fund does not have sufficient assets to honor all benefits related to its services in the current and prior periods. Contributions made to that end are recognized as personnel expenses in the statement of income.

o. Statement of income

Income and expenses are recorded on the accrual basis.

p. Earnings per share

Basic and diluted earnings per share are calculated by dividing the profit attributable to the controlling shareholders by the weighted average number of common shares.

q. Non-appropriated retained earnings

The balance in this account includes the effects of differences between accounting policies applicable to financial institutions in Brazil and international accounting standards. Profit reported in accordance with Brazilian accounting policies is fully allocated as dividends, interest on equity capital and to set up revenue reserves.

r. Standards recently issued and applicable to future periods

Below is a summary of the new standards, amendments and significant interpretations that have been issued by IASB with an impact on future periods:

- **IFRS 18 – Presentation and Disclosure of Financial Statements:** IFRS 18 replaces IAS 1 – Presentation of Financial Statements, and introduces new subtotals in profit or loss, segregating revenues and expenses into three categories (operating, investment and financing). This standard becomes effective on January 1, 2027.
- **IFRS 19 – Subsidiaries without Public Responsibility:** Reduces the disclosure requirements of IFRS standards for eligible subsidiaries, thereby reducing the costs of preparing the financial statements for those subsidiaries. This standard goes into effect on January 1, 2027.

- **Amendments to IFRS 9 - Financial Instruments and IFRS 7 - Financial Instruments (Disclosure):** The main changes in these standards are related to the recognition and derecognition of financial instruments and the classification and measurement of financial instruments. Another significant change is related to the disclosure of information about equity instruments designated as at fair value through other comprehensive income. The changes are effective January 1, 2026.

4 Cash and cash equivalents

	<u>2025</u>	<u>2024</u>
Cash equivalents	8,579	59,378
Local currency	239	3,715
Foreign currency	8,340	55,663
Interbank investments	4,111,492	3,389,211
Money Market repurchase commitments	4,111,492	3,205,970
Interbank deposits	-	183,241
Total	<u>4,120,071</u>	<u>3,448,589</u>

5 Financial assets and liabilities measured at fair value through profit or loss

a. Securities

Breakdown by type and maturity

	<u>2025</u>			<u>2024</u>	
	<u>Without maturity</u>	<u>Fair value/Book value</u>	<u>Adjusted cost</u>	<u>Fair value/Book value</u>	<u>Adjusted cost</u>
Own portfolio					
NTN	-	-	-	1,607	1,796
Shares of privately held companies	6,933	6,933	7,568	6,855	7,568
Linked to guarantees					
Investment fund shares	<u>65,256</u>	<u>65,256</u>	<u>65,256</u>	<u>53,474</u>	<u>53,473</u>
Total	<u>72,189</u>	<u>72,189</u>	<u>72,824</u>	<u>61,936</u>	<u>62,837</u>

Federal government bonds are held in custody at the Sistema Especial de Liquidação e Custódia (SELIC) and investment fund shares are held in custody at B3 S.A. – Brasil, Bolsa, Balcão.

b. Derivative financial instruments

The Bank participates in operations involving derivative financial instruments, whose purpose is to meet own needs and clients' needs. The purpose of these operations is to manage exposures to market risks, which are associated to potential losses resulting from variations in prices of financial assets, interest rates, currencies and indexes. The policy of operation, control, establishment of strategies of operations, as well as the limit of these positions, follows the Bank's management guidelines.

The tables below show the notional values adjusted to market prices, the related receivable and payable adjustments and the net exposures in the balance sheets for derivative financial instruments:

(i) Futures contracts

	2025		2024	
	Market value		Market value	
	Notional	Receivable/(payable) adjustment	Notional	Receivable/(payable) adjustment
Long position	34,527,793	(546,808)	39,937,004	(91,474)
DI	1,385,214	(45)	4,064,636	(182)
DDI	28,877,002	(485,202)	35,477,609	(90,588)
USD	4,265,577	(61,561)	394,759	(704)
Short position	6,247,578	71,709	1,957,150	4,111
DI	726,157	249	138,683	167
DDI	5,521,421	71,460	1,337,996	2,537
USD	-	-	480,471	1,407

As of December 31, 2025, in addition to the daily adjustments in futures contracts, R\$60 (R\$106 in 2024) is recognized as "Other financial liabilities" in current liabilities consisting of commissions and brokerage fees to be settled at B3 S.A. – Brasil, Bolsa e Balcão.

(ii) Swap and forward transactions

By index	2025			2024		
	Notional value	Cost value	Fair value	Notional value	Cost value	Fair value
Swap						
Receivables	18,870,238	963,177	1,278,105	3,223,283	399	76,319
CDI rate x USD	18,303,188	924,904	1,226,410	2,813,545	-	74,296
Fixed rate x USD	567,050	38,273	51,695	-	-	-
USD x CDI	-	-	-	5,878	372	369
CDI x CDI	-	-	-	403,860	27	1,654
Amounts payable	5,325,350	(431,294)	(318,678)	30,626,960	(5,479,202)	(4,220,609)
CDI x USD	5,275,350	(431,216)	(318,297)	30,204,954	(5,413,156)	(4,147,085)
Fixed rate x USD	-	-	-	243,500	(64,931)	(72,370)
USD x CDI	-	-	-	178,506	(1,115)	(1,154)
Fixed rate x CDI	50,000	(78)	(381)	-	-	-
Forward contracts - NDF						
Amounts receivable	1,354,001	16,610	14,716	3,481,536	326,268	328,688
Long position – USD	1,303,807	16,444	14,294	3,481,536	326,268	328,688
Short position - USD	50,194	166	422	-	-	-
Amounts payable	963,014	(27,206)	(28,525)	413,871	(2,535)	(2,994)
Long position – USD	920,206	(26,309)	(27,828)	285,891	-	(569)

By index	2025			2024		
	Notional value	Cost value	Fair value	Notional value	Cost value	Fair value
Short position – USD	42,808	(897)	(697)	127,980	(2,535)	(2,425)
Foreign exchange transactions						
Amounts receivable	25,126	104	155	608,311	11,171	11,119
Long position – USD	126	1	-	608,311	11,171	11,119
Short position – USD	25,000	103	155	-	-	-
Total	26,537,729	521,391	945,773	38,353,961	(5,143,899)	(3,807,477)

Swap, NDF and foreign exchange transactions are traded over-the-counter (OTC) and are not guaranteed by B3 S.A. – Brasil, Bolsa e Balcão.

(iii) Breakdown by maturity

The table below shows the notional amounts recognized in memorandum accounts and their related maturity dates:

	2025				Total	2024
	Within 3 months	3 to 6 months	6 to 12 months	Over 12 months		Total
Futures contracts ⁽ⁱ⁾	15,405,144	4,104,777	2,964,804	18,300,646	40,775,371	41,894,154
Swap ⁽ⁱⁱ⁾	1,568,900	1,805,310	3,337,667	17,483,711	24,195,588	33,850,243
Forward contracts - NDF ⁽ⁱⁱ⁾	1,693,319	244,547	319,777	59,372	2,317,015	3,895,407
Foreign exchange transactions ⁽ⁱⁱ⁾	25,126	-	-	-	25,126	608,311
Total	18,692,489	6,154,634	6,622,248	35,843,729	67,313,100	80,248,115

(i) Counterparty: B3 S.A. - Brasil, Stock Exchange, Balcão.

(ii) Counterparty: legal entity.

(iv) Segregation between current and non-current

The fair values of financial instruments was segregated as follows:

	2025			2024		
	Current	Non-current	Total	Current	Non-current	Total
Assets						
Swap	213,067	1,065,038	1,278,105	2,023	74,296	76,319
Forward contracts - NDF	14,449	267	14,716	328,690	(2)	328,688
Foreign exchange transactions	155	-	155	11,119	-	11,119
Total	227,671	1,065,305	1,292,976	341,832	74,294	416,126
Liabilities						
Swap	(116,764)	(201,914)	(318,678)	(2,647,521)	(1,573,088)	(4,220,609)
Forward contracts - NDF	(27,740)	(785)	(28,525)	(2,874)	(120)	(2,994)
Total	(144,504)	(202,699)	(347,203)	(2,650,395)	(1,573,208)	(4,223,603)

(v) Hedge Accounting

The table below shows the amounts of the contracts designated as hedging instruments and of the hedged item:

	2025			2024	
	Hedging instruments	Hedged item		Hedging instruments	Hedged item
	Market value	Market value	Cost value	Market value	Market value
Market risk hedging strategy					
Hedge of foreign borrowings	1,708,356	1,694,202	1,684,667	1,884,378	1,864,415
Total	1,708,356	1,694,202	1,684,667	1,884,378	1,864,415

The effectiveness determined for the *hedge* portfolio is in accordance with the provisions of international accounting standards.

The Bank applies market risk hedges to hedge against the risk of exchange rate exposure to payments of principal and fixed foreign exchange interest on funds raised abroad.

The transaction structure consists of a combination of DDI futures contracts used as derivative hedging instruments and foreign loan obligations raised (note 7f) in US currency and maturing by October 2027, designated as the hedged item for market risk.

The market value of foreign funding, which is the hedged item, takes into consideration the characteristics of the transaction with respect to interest rates and their maturity to determine the future value of cash flows, which will be discounted to present value at market rates, calculated according to the prices traded on BM&FBovespa.

c. Money market funding

	Annual interest rate	Due by	Balance in 2025
Commitment to return securities received as collateral for reverse sale-and-repurchase agreements - free movement	From 14.07% to 14.35%	01/04/2026	1,000,594
Total			1,000,594

d. Results

The results Income from financial instruments measured at fair value in the years ended December 31, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Derivative financial instruments	(878.439)	1.493.772
Future	(6.847.166)	7.033.033
Swap	6.516.607	(6.256.047)
Forward contracts - NDF	(536.882)	695.024
Forward contracts	(10.998)	21.762
Securities	6.608	2.084
Money market funding	758	-
Total	<u>(871.073)</u>	<u>1.495.856</u>

Derivative financial instruments are registered with B3 S.A. - Brasil, Bolsa, Balcão.

6 Financial assets measured at fair value through other comprehensive income

a. Securities

	2025					2024	
	Without maturity	Within 12 months	Over 12 months	Fair value/Book value	Adjusted cost	Fair value/Book value	Adjusted cost
Own portfolio							
LTN	-	-	157,575	157,575	157,106	111,418	111,899
Public company shares	72	-	-	72	111	59	105
Subtotal	72	-	157,575	157,647	157,217	111,477	112,004
Subject to guarantees ⁽ⁱ⁾							
LTN	-	-	83,043	83,043	82,925	572,303	577,430
LFT	-	1,013,788	1,127,843	2,141,631	2,140,758	1,628,581	1,628,685
Subtotal	-	1,013,788	1,210,886	2,224,674	2,223,683	2,200,884	2,206,115
Total	72	1,013,788	1,368,461	2,382,321	2,380,900	2,312,361	2,318,119
(-) Expected loss (note 9a) – Stage 1	-	-	-	-	-	(494)	-
Grand total	72	1,013,788	1,368,461	2,382,321	2,380,900	2,311,867	2,318,119

(i) Securities pledged as security margin for derivative and foreign exchange transactions.

b. Result

	2025	2024
Securities transactions	303,388	191,848
Total	303,388	191,848

7 Financial assets and liabilities measured at amortized cost

a. Interbank funds applied

	2025			2024
	Within 3 months	Over 3 months and up to 12 months	Total	Total
Money market instruments	4,659,925	202,358	4,862,283	5,626,524
Own portfolio - LTN (National Treasury Bill)	3,659,265	-	3,659,265	4,599,908
Short position - LTN (National Treasury Bill)	1,000,660	-	1,000,660	1,011,574
Third-party portfolio - LTN (National Treasury Bill)	-	-	-	15,042
Interbank deposits	-	202,358	202,358	-
Total	4,659,925	202,358	4,862,283	5,626,524
(-) Expected loss (note 9a) – Stage 1	-	-	-	(106)
Grand total	4,659,925	202,358	4,862,283	5,626,418

b. Securities

	2025		
	Within 3 to 6 months	Adjusted-for-inflation/Book cost	Market value
Measured at amortized cost			
Own portfolio			
Foreign securities	2,158,619	2,158,619	2,144,983
(-) Expected loss (note 9a) – Stage 1	(69)	(69)	-
Total	2,158,550	2,158,550	2,144,983

c. Loans to customers

(i) Breakdown of the portfolio by type of transaction

	2025			
	Stage 1	Stage 2	Stage 3	Total
Export Credit Notes (NCE)	1.661.147	-	-	1.661.147
Advances on exchange contracts	259.535	-	-	259.535
(-) Expected loss (note 9a)	(1.837)	-	-	(1.837)
Total	1.918.845	-	-	1.918.845

	2024			
	Stage 1	Stage 2	Stage 3	Total
Export Credit Notes (NCE)	1,250,925	-	-	1,250,925
Advances on foreign exchange contracts	132,972	-	-	132,972
(-) Expected loss (note 9a)	(735)	-	-	(735)
Total	1,383,162	-	-	1,383,162

(ii) Composition of the portfolio by transaction term

	2025			
	Stage 1	Stage 2	Stage 3	Total ⁽ⁱ⁾
Falling due		-	-	
Within 3 months	131,476	-	-	131,476
Within 3 to 12 months	128,059	-	-	128,059
Over 12 months	1,661,147	-	-	1,661,147
Total	1,920,682	-	-	1,920,682

(i) There were no transfers between stages in the period.

	2024			
	Stage 1	Stage 2	Stage 3	Total ⁽ⁱ⁾
Falling due				
Within 12 months	38,113	-	-	38,113
Over 12 months	1,345,784	-	-	1,345,784
Total	1,383,897	-	-	1,383,897

(i) There were no transfers between stages in the period.

(iii) Concentration of loans to customers

	2025	2024
Main debtor	1,109,145	1,250,925
Percentage of total loan portfolio	57.7%	90.3%
20 largest debtors	1,920,682	1,383,897
Percentage of total credit portfolio	100.0%	100.0%

The amount of credits renegotiated as of December 31, 2025 amounts to R\$127,478 (R\$84,659 in 2024).

The Bank has financial guarantees in the amount of R\$590 (R\$590 in 2024).

During the years ended December 31, 2025 and 2024, there were no loan recoveries.

In the year ended December 31, 2025, no loans were written off as loss (R\$54,867 in 2024).

d. Deposits

	2025				2024	
	Without maturity	Within 3 months	Within 3 to 6 months	Within 6 to 12 months	Total	Total
Demand deposits	77	-	-	-	77	69
Time deposits	-	46.327	106.023	1.292.621	1.444.971	936.403
Total	77	46.327	106.023	1.292.621	1.445.048	936.472

As of December 31, 2025, the average percentage of time deposit funding was 100.6% of the interbank deposit certificate (CDI) (102% of the interbank deposit rate in 2024).

e. Money market funding

	Interest rate	Maturity by	Balance in 2025
Financial bills	100.3% of the CDI	20/09/2027	967,978
Total			967,978

f. Borrowings

	Annual interest rate	Maturity by	Balance in 2025
Lines of credit			
Foreign borrowings ⁽ⁱ⁾	From 5.10% to 5.16%	26/07/2027	1,694,202
Foreign loan obligations – BNS (Company) ⁽ⁱ⁾	3.65%	06/01/2026	5,126,900
Export financing - BNS (Parent Company)	From 3.91% to 4.03%	20/05/2026	255,813
Total			7,076,915

(i) Credit lines to meet possible liquidity needs.

	Annual interest rate	Maturity by	Balance in 2024
Lines of credit			
Foreign borrowings ⁽ⁱ⁾	From 5.10% to 5.16%	26/07/2027	1,864,415
Export financing - BNS (Parent Company)	From 4.52% to 4.95%	25/04/2025	131,248
Total			1,995,663

(i) Credit lines to meet possible liquidity needs.

g. Onlendings

As of December 31, 2025, foreign onlendings in the amount of R\$1,661,148 (R\$1,250,924 in 2024) consist of funds raised externally from the controlling entity (BNS), of which R\$14,989 matures between April and May 2026 and R\$1,646,159 matures between November 2027 and April 2029.

h. Net results from foreign currency transactions and foreign exchange gain or loss

	2025	2024
Foreign currency transactions	47,945	(322,350)
Loans to customers	(136,153)	211,407
Borrowings and on-lendings	766,775	(1,722,243)
Total	678,567	(1,833,186)

8 Fair value of financial instruments

The table below shows financial assets and liabilities according to fair value hierarchy levels:

	Balance as of 12/31/2025	Distribution by level		
		Level 1	Level 2	Level 3
Financial assets measured at fair value through profit or loss	1,365,165	65,256	1,292,976	6,933
Securities	72,189	65,256	-	6,933
Derivative financial instruments	1,292,976	-	1,292,976	-
Financial assets measured at fair value in OCI	2,382,321	2,382,321	-	-
Securities	2,382,321	2,382,321	-	-
Financial liabilities measured at fair value through profit or loss	1,347,797	-	1,347,797	-
Money market funding	1,000,594	-	1,000,594	-
Derivative financial instruments	347,203	-	347,203	-

	Balance as of 12/31/2024	Distribution by level		
		Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss	478,062	55,081	416,126	6,855
Securities	61,936	55,081	-	6,855
Derivative financial instruments	416,126	-	416,126	-
Financial assets measured at fair value in OCI	2,311,867	2,311,867	-	-
Securities	2,311,867	2,311,867	-	-
Financial liabilities at fair value through profit or loss	5,233,615	-	5,233,615	-
Money market funding	1,010,012	-	1,010,012	-
Derivative financial instruments	4,223,603	-	4,223,603	-

9 Allowance for impairment loss on loans

a. Breakdown by stage and product

	2025			
	Stage 1	Stage 2	Stage 3	Total ⁽ⁱ⁾
Loans operations	1,837	-	-	1,837
Securities	69	-	-	69
Total	1,906	-	-	1,906

(i) There were no movements between stages during the year.

	2024			
	Stage 1	Stage 2	Stage 3	Total (i)
Loans operations	735	-	-	735
Securities	494	-	-	494
Repurchase and reverse repurchase agreements	106	-	-	106
Deposits in other institutions	78	-	-	78
Total	1,413	-	-	1,413

(i) There were no movements between stages during the year.

b. Changes in provision for expected losses associated with credit risk

	Stage 1	Stage 2	Stage 3	Total
Balances in 2024	1,413	-	-	1,413
Constitution	1,102	-	-	1,102
Write-off as loss	(609)	-	-	(609)
Balances in 2025	1,906	-	-	1,906

	Stage 1	Stage 2	Stage 3	Total
Balances in 2023	566	-	23,167	23,733
Constitution	847	-	19,800	20,647
Write-off as loss	-	-	(42,967)	(42,967)
Balances in 2024	1,413	-	-	1,413

10 Other assets and liabilities

a. Other financial and non-financial assets

	2025	2024
Financial	161,386	124,413
Current	107,584	70,984
Daily adjustments of future contracts to be settled	71,721	4,216
Clearing houses for registration and settlement	30,429	48,755
Receivables from outstanding settlements accounts	5,432	18,010
Other	2	3
Non-current	53,802	53,429
Court deposits	53,802	53,429
Non-financial	82,847	42,961
Current	82,774	42,862
Prepaid taxes and contributions	77,529	37,408
Salary advances and prepayments	1,790	1,210
Taxes and contributions to offset	1,732	956

	2025	2024
Prepaid expenses	1,247	1,457
Receivables from related companies	197	1,831
Other	279	-
Non-current	73	99
Prepaid expenses	56	83
Taxes and contributions to offset	17	16
Total	244,233	167,374

b. Other financial and non-financial liabilities

	2025	2024
Financial	582,705	157,936
Current	582,705	157,936
Daily adjustment in unsettled futures contracts	546,820	91,579
Payables from outstanding settlements accounts	35,825	66,250
Commissions and brokerage fees payable	60	107
Non-financial	536,261	46,141
Current	526,933	35,919
Dividends	428,998	-
Provision for personnel expenses	37,975	29,797
Taxes and contributions payable	54,018	5,223
Payables to related companies	2,788	894
Other	3,154	5
Non-current	9,328	10,222
Provision for personnel expenses	9,328	10,222
Total	1,118,966	204,077

11 Property and equipment in use

a. Composition

2025				
	Annual depreciation rate	Cost value	Accumulated depreciation	Net amount
Construction in progress	-	1,131	-	1,131
Furniture, equipment and facilities	10%	5,629	(2,790)	2,839
IT equipment	20%	22,934	(9,280)	13,654
Right-of-use	20%	21,775	(4,483)	17,292
Leasehold improvements	10%	2,799	(1,066)	1,733
Total		54,268	(17,619)	36,649

2024				
	Annual depreciation rate	Cost value	Accumulated depreciation	Net amount
Construction in progress	-	8,589	-	8,589
Furniture, equipment and facilities	10%	6,516	(3,389)	3,127
IT equipment	20%	16,401	(10,791)	5,610
Right-of-use	20%	33,567	(11,943)	21,624
Leasehold improvements	10%	2,339	(817)	1,522
Total		67,412	(26,940)	40,472

b. Changes

	Balances as of December 31, 2024	Addition	Write-off	Reclassification	Depreciation	Balances as of 12/31/2025
Construction in progress	8,589	3,125	-	(10,583)	-	1,131
Furniture, equipment and facilities	3,127	120	(23)	91	(476)	2,839
IT equipment	5,610	346	(1)	10,071	(2,372)	13,654
Right-of-use	21,624	-	(1,847)	-	(2,485)	17,292
Leasehold improvements	1,522	39	-	421	(249)	1,733
Total	40,472	3,630	(1,871)	-	(5,582)	36,649

	Balances as of December 31, 2023	Addition	Write-off	Reclassification	Depreciation	Balances as of December 31, 2024
Construction in progress	6	8,620	-	(37)	-	8,589
Furniture, equipment and facilities	3,742	46	(162)	5	(504)	3,127
IT equipment	4,450	3,039	(8)	32	(1,903)	5,610
Right of use	12,469	12,347	-	-	(3,192)	21,624
Leasehold improvements	1,757	-	-	-	(235)	1,522
Total	22,424	24,052	(170)	-	(5,834)	40,472

12 Intangible assets

a. Breakdown

2025				
	Annual amortization rate	Cost value	Accumulated amortization	Net amount
Intangible assets	20%	900	(775)	125
Total		900	(775)	125
2024				
	Annual amortization rate	Cost value	Accumulated amortization	Net amount
Other intangible assets in progress		70	-	70
Intangible assets	20%	6,275	(4,053)	2,222
Total		6,345	(4,053)	2,292

b. Changes

	Balances as of December 31, 2024	Addition	Write- off	Reclassification	Amortization	Balances as of 12/31/2025
Other intangible assets in progress	70	-	-	(70)	-	-
Intangible assets	2,222	3	(1,332)	70	(838)	125
Total	2,292	3	(1,332)	-	(838)	125
	Balances as of December 31, 2023	Additions	Write- off	Reclassification	Amortization	Balances as of December 31, 2024
Other intangible assets in progress	29	137	-	(96)	-	70
Intangible assets	3,202	-	-	96	(1,076)	2,222
Total	3,231	137	-	-	(1,076)	2,292

13 Legal, tax and social security contingencies and obligations

a. Contingent assets

The Bank does not have any contingent asset recognized in its balance sheet, and is not currently involved in legal proceedings that generate expected future gains.

b. Contingent liabilities

The Bank is a party to administrative and judicial proceedings incidental to its business, involving labor, tax and social security issues. The evaluation for the accrual of provisions is made according to criteria described in note 31.

The Bank has provisions accrued for these contingent liabilities classified as probable losses in amounts considered sufficient to face possible losses. The accrued amounts are recorded in "Provisions for contingencies", in non-current liabilities.

Ongoing labor lawsuits classified as possible losses total R\$948 (R\$212 in 2024). Labor proceedings mostly consist of lawsuits filed by former employees and outsourced personnel seeking the payment of overtime and other labor rights.

Ongoing tax proceedings are classified as possible losses in the amount of R\$16,781 (R\$19,789 in 2024), the most significant of which result from taxes that the Bank has been discussing in court. They basically consist of a request for offsetting of withholding income tax on financial investments in the amount of R\$6,214 (R\$5,990 in 2024) and a request for the annulment of the assessment of deficiency in the amount of R\$9,158 (R\$ 9,065 in 2024), consists of taxes claimed by the Municipal Government of São Paulo and levied on services provided by the Bank. Sufficient court deposits for these proceedings are required to cover the tax risk.

c. Changes in balances

	2025			2024
	Labor	Tax	Total	Total
Provision for contingencies				
Opening balance	760	29,879	30,639	29,089
Constitution/(Reversal)	(63)	(2,706)	(2,769)	194
Update	18	1,479	1,497	1,357
Payment	(474)	(3,208)	(3,682)	(1)
Total	241	25,444	25,685	30,639
	2025			2024
	Labor	Tax	Total	Total
Court deposits				
Opening balance	124	53,305	53,429	47,800
Constitution	-	116	116	3,047
Update	8	3,540	3,548	2,607
Payment	(60)	(3,231)	(3,291)	(25)
Total	72	53,730	53,802	53,429

14 Equity

a. Share capital

Share capital, fully paid in, in the amount of R\$2,995,473 (2,825,473 in 2024), consists of 112,437 (107,076 in 2024) registered ordinary shares without par value. Management decides on the allocation of adjusted net income each period, pursuant to article 202 Law 6404/76.

At an Extraordinary General Meeting held on October 27, 2025 and December 22, 2025, shareholders decided to increase share capital in the amounts of R\$87,975 and R\$82,025, respectively, paid in using shareholders' receivables from the distribution of interest on equity capital. The capital increase decided in December is being approved by BACEN.

In the year ended December 31, 2024, share capital increased by R\$198,525, paid in using shareholders' receivables from the distribution of interest on equity capital.

b. Profit reserves

The legal reserve is set up at the rate of 5% of the period's profit, up to the limit established by prevailing law. The balance of the reserve established by the Company's by-laws consists of the non-distributed portion of previous and current years' profits which were transferred to subsequent years at their annual meeting.

c. Dividends and interest on equity capital

At their annual meeting, management will decide the minimum amount related to the distribution of dividends related to profit adjusted pursuant to article 202 of Brazilian Corporate Law.

In the year ended December 31, 2025, the following were approved for payment:

- I. Dividends, in the amount of R\$307,400, on January 27, 2025, according to the minutes of the Executive Board's meeting;
- II. Dividends, in the amount of R\$1,000, on October 27, 2025, according to the minutes of the Executive Board's meeting;
- III. Interest on equity capital, in the amount of R\$87,975, net of withholding income tax of R\$15,525, as of October 27, 2025, according to the minutes of the Extraordinary General meeting;
- IV. Interest on equity capital, in the amount of R\$82,025, net of withholding income tax in the amount R\$14,475, as of December 22, 2025, according to the minutes of the extraordinary shareholders' meeting; And
- V. Dividends, in the amount of R\$428,998, as of December 31, 2025, according to the minutes of the Executive Board's meeting.

In the year ended December 31, 2024, according to the minutes of the Executive Board, the following were approved for payment:

- I. Dividends in the amount of R\$309,620, on October 28, 2024, according to the minutes of the Executive Board's meeting;
- II. Interest on equity capital in the amount of R\$198,525, net of withholding income tax in the amount of R\$35,034, as of December 20, 2024, according to the minutes of the extraordinary general meeting.

15 Income and social contribution taxes

a. Calculation of income and social contribution taxes on operations

	2025		2024	
	Income tax	Social contribution tax	Income tax	Social contribution tax
Profit before taxes on profit sharing	535,761	535,761	386,774	386,774
Interest on equity capital	(200,000)	(200,000)	(233,559)	(233,559)
Temporary add-backs/(deductions)	539,441	539,441	167,923	167,923
Fair value adjustment - securities and derivative financial instruments	548,559	548,559	133,322	133,322
Provisions for expected losses associated with credit risk	495	495	(22,320)	(22,320)
Loans written off as loss	-	-	54,867	54,867
Other	(9,613)	(9,613)	2,054	2,054
Permanent additions/(exclusions)	(164,324)	(164,318)	27	34
Taxable profit	710,878	710,884	321,165	321,172
Income and social contribution tax loss carry forwards	(213,468)	(213,470)	-	-
Taxable profit after carryforward	497,410	497,414	321,165	321,172
Total IRPJ and CSLL – current amounts before tax incentives	(124,499)	(99,619)	(51,883)	(41,526)
Tax incentives	2,086	-	1,565	-
Total IRPJ and CSLL - current amounts	(122,413)	(99,619)	(50,318)	(41,526)
Tax credits	(58,804)	(47,162)	(15,251)	(12,228)
Deferred tax liabilities	141,292	112,765	28,984	23,188
Total	(39,925)	(34,016)	(36,585)	(30,566)

b. Changes in deferred income and social contribution by type and origin

Tax credits	Balances as of	Constitution	Realozaton/ Reversal	Balances as of
	December 31, 2024			12/31/2025
Reflected on profit or loss	478,615	20,637	(126,603)	372,649
Income and social contribution tax losses	386,933	890	(96,061)	291,762
Provision for tax and labor risks	15,292	314	(2,441)	13,165
Non-deductible provisions	13,973	15,889	(12,507)	17,355
Provision for expected losses associated with credit risk	(30,144)	858	(60)	(29,346)
Loans written off as loss	70,994	-	-	70,994
Adjustment to fair value of securities	85	-	(85)	-
Other	21,482	2,686	(15,449)	8,719
Reflected in equity	2,841	14	(2,839)	16
Fair value adjustment of TVM	2,841	14	(2,839)	16
Total	481,456	20,651	(129,442)	372,665
Deferred tax liabilities	Balances as of	Constitution	Realization/ Reversal	Balances as of
Reflected on profit or loss	December 31, 2024	(44,787)	298,844	12/31/2025
Adjustment to fair value of derivative instruments	(683,897)	(43,115)	288,839	(438,173)
Adjustment for inflation of court deposits	(12,923)	(1,423)	1,051	(13,295)
Adjustment to fair value of repurchase and reverse repurchase agreements	(1,520)	(249)	1,520	(249)
Other	(11,597)	-	7,434	(4,163)
Reflected in equity	(84)	(1,053)	-	(1,137)
Fair value adjustment of TVM	(84)	(657)	-	(741)
Own credit risk adjustment	-	(396)	-	(396)
Total	(710,021)	(45,840)	298,844	(457,017)

c. Estimated realization of tax credits

Deadline for realization	Temporary differences	Income and social contribution tax losses	Total
1st year	402	33,838	34,240
2nd year	13,835	33,037	46,872
3rd year	11,265	34,398	45,663
4th year	10,937	28,128	39,065
5th year	10,727	28,474	39,201
6th-10th year	33,737	133,887	167,624
Total	80,903	291,762	372,665
Present value ⁽ⁱ⁾	46,298	169,059	215,357

(i) The discounted present value was used according to projetada.com annual CDI rate according to the Focus survey disclosed by the Central Bank of Brazil.

16 Related parties

Transactions carried out between related parties are disclosed according to current standards. These transactions are carried out at usual market average amounts, terms and rates in effect on the respective dates.

a. Related party transactions

Related party transactions are as follows:

	Assets / (liabilities)		Revenues/(expenses)	
	2025	2024	2025	2024
Cash equivalents	1,651	626	(75)	238
BNS (Parent company)	1,651	626	(75)	238
Foreign exchange portfolio – receivables	-	-	(14)	3,236
BNS (Parent company)	-	-	(14)	3,236
Other assets	-	103	(81)	(98)
BNS (Parent company)	-	103	(81)	(98)
Amounts receivable/(payable) related companies / Service revenues/(expenses)	(2,591)	937	15,411	18,440
BNS (Parent company)	(2,291)	976	15,908	18,608
Scotiabank Inverlat (Mexico) (Related party)	(300)	(39)	(366)	(51)
Scotiabank Colpatría (Colombia) (Related party)	-	-	(131)	(117)
Borrowings	(5,382,713)	(131,248)	232,243	(1,425,167)
BNS (Parent company)	(5,382,713)	(131,248)	232,243	(1,425,167)
On-lendings	(1,661,148)	(1,250,924)	54,780	(286,353)
BNS (Parent company)	(1,661,148)	(1,250,924)	54,780	(286,353)
Foreign exchange transactions - payables	-	-	-	(2,394)
BNS (Parent company)	-	-	-	(2,394)

b. Management compensation

In order to disclose management compensation, management officers were considered the officers appointed as per the Company's bylaws. Expenses on management compensation for the year ended December 31, 2025 totaled R\$62,926 (R\$41,035 in 2024), and consist of R\$50,041 (R\$37,956 in 2024), which consist of salaries and charges, profit sharing and bonuses and charges, called short-term benefits, and R\$12,885 (R\$3,079 in 2024), which represents share-based compensation.

There are no post-employment, other long-term benefits, and no termination benefits.

17 Share-based payments

The share-based payment plans are valued based on the share price of BNS Ordinary Share, traded on the Toronto Stock Exchange in Canada (TSX). Fluctuations in the share price of BNS alter the value of the units, which affects the Bank's share-based payment expenses. A portion that determines the fair value of the share price also varies according to the Bank's performance. These plans are settled in cash and their expenses are recognized in profit or loss for the period as an offsetting entry to a provision in liabilities. Eligible employees are paid in the form of this variable compensation, through one of the following plans: RSU or PSU.

a. Restricted Share Unit Plan (RSU)

Under the RSU plan, eligible employees will receive a bonus in restricted stock units at the end of three years. The final amount to be paid varies depending on the share price of the BNS. As of December 31, 2025, the amount of liabilities provided for under this plan was R\$9,333 (R\$9,173 in 2024) and the total number of shares was 64,433 units (71,712 in 2024), measured at the market value of R\$385.30 per share (R\$322.17 in 2024). The total expense recognized in the period for this plan is R\$10,779 (R\$9,610 in 2024).

	Balance			
	2025		2024	
	Number of shares	Value	Number of shares	Value
RSU				
Share price		385.30 ⁽ⁱ⁾		322.17 ⁽ⁱ⁾
Due	64,433	24,826	71,712	23,104
Provisioned	24,222	9,333	28,473	9,173
To be provisioned	40,211	15,493	43,239	13,931

	To be paid					
	Dec/2026		Dec/2027		Dec/2028	
	Number of shares	Value	Number of shares	Value	Number of shares	Value
RSU						
Share price		385.30 ⁽ⁱ⁾		385.30 ⁽ⁱ⁾		385.30 ⁽ⁱ⁾
Due	21,813	8,404	15,184	5,851	27,436	10,571
Provisioned	15,442	5,949	6,307	2,431	2,473	953
To be provisioned	6,371	2,455	8,877	3,420	24,963	9,618

(i) Amounts in Brazilian real translated using the rate of 3.81 reais per Canadian dollar.

b. Performance Share Unit Plan (PSU)

Under the PSU plan, eligible employees will receive a bonus at the end of three years. In addition to changes in the share price of BNS, this portion of the bonds is subject to performance criteria (return on equity and total return to shareholders) measured over a

three-year period, whereby a multiplying factor is applied. As of December 31, 2025, the amount of liabilities provided for under this plan was R\$6,591 (R\$5,661 in 2024) and the total number of shares was 29,274 units (41,138 in 2024), measured at the weighted market value of R\$385.30 per share (R\$322.17 in 2024). In the year ended December 31, 2025, there was an expense of R\$4,717 (R\$3,584 in 2024).

The change in Scotiabank Group's Global Bonus Policy introduced in 2025, the managers eligible for the PSU bonus plan were migrated to the RSU plan. The amount due under the related plan will be fully paid by the end of 2027.

	Balance			
	2025		2024	
	Number of shares	Value	Number of shares	Value
PSU				
Share price		385.30(i)		322.17(i)
Due	29,274	11,279	41,138	13,254
Provisioned	17,107	6,591	17,573	5,661
To be provisioned	12,167	4,688	23,565	7,593

	To be paid			
	Dec/2026		Dec/2027	
	Number of shares	Value	Number of shares	Value
PSU				
Share price		385.30(i)		385.30(i)
Due	16,398	6,318	12,876	4,961
Provisioned	11,982	4,616	5,125	1,975
To be provisioned	4,416	1,702	7,751	2,986

(i) Amounts in Brazilian real translated using the rate of 3.81 reais per Canadian dollar.

18 Post-employment employee benefits

The Bank and its subsidiary offer their employees a supplementary pension plan under the post-employment defined contribution plan, which ceases to be contributed upon the termination of the employee. Total personnel expenses incurred under this plan for the year ended December 31, 2025 were R\$3,234 (R\$3,086 in 2024).

Other post-employment defined contribution plans are considered short-term benefits, such as health care and profit sharing.

The Bank and its subsidiary do not have post-employment defined benefit plans to their employees.

19 Net interest income

	<u>2025</u>	<u>2024</u>
Interest income	1,387,348	1,217,758
Securities transactions	1,302,474	1,157,649
Loans to customers	84,874	60,109
Interest expense	(717,014)	(478,433)
Money market funding transactions	(315,819)	(357,455)
Borrowings and on-lendings	(401,195)	(120,978)
Net interest income	670,334	739,325

20 Personnel expenses

	<u>2025</u>	<u>2024</u>
Proceeds	110,025	89,792
Social charges	49,759	32,192
Benefits	11,296	9,321
Other	6,329	4,237
Total	177,409	135,542

21 Other administrative expenses

	<u>2025</u>	<u>2024</u>
Data processing	13,847	12,277
Financial system services	10,637	10,319
Rents	90	620
Lease - interest on right-of-use	3,310	-
Specialized technical services	3,695	3,513
Third-party services	7,852	3,033
Communications	1,714	1,470
Charity contributions	1,721	1,120
Water, electricity and gas	683	727
Condominium	862	1,267
Others ⁽ⁱ⁾	8,178	4,560
Total	52,589	38,906

(i) Sundry expenses consist of sundry expenses on travels, advertising, publications, among others.

22 Income from services and commissions

	<u>2025</u>	<u>2024</u>
Income from related party services	22,958	21,247
Income from commissions and brokerage fees	13,488	15,511
Income from guarantees granted	11	29
Other services income	4	448
Total	36,461	37,235

23 Risk Management

The Bank uses an integrated and continuous risk management framework, in accordance with current standards.

The governance model established for the Bank's integrated risk and capital management involves the structure of Strategic Committees, with the participation of several of the Bank's areas.

The Bank's risk management framework applies best-practice policies and conforms to the guidelines laid down by the regulatory agency.

Interaction between the Bank's business model and risk profile

The Bank's businesses consist of GBM (*Global Banking & Markets*) and ALM (*Assets and Liability Management*) activities. The GBM Division is customer-oriented and focuses on *cash* and derivative financial instrument solutions for corporate and institutional clients, while the ALM Division operates as a subsidiary function to support GBM activities through finance and cash management. The Brokerage Firm, in turn, serves institutional investors that operate in the Brazilian securities market, as well as market makers.

Risk Appetite

The Risk Management Department is in charge of monitoring and reporting risk appetite metrics, using information from the units in charge of managing them. Data about risk appetite metrics are reported monthly to the Bank's Chief Risk Officer (CRO) and to the Risk Committee at least four times a year.

Risk appetite metrics are assessed as follows:

- Green: The metric is within the risk appetite threshold and within the *guidance limits*.
- Red: The metric violates the risk appetite threshold.

Limits should be approved by the Bank's board of directors and should be in line with the other limits approved by the head office (The Bank of Nova Scotia, BNS).

Main risks

The main risks related to the Bank's business activities are detailed below:

a. Credit Risk

Credit risk is related to the possible losses when one of the clients does not honor the commitments entered into with the Bank and/or other counterparties.

b. Market risk and IRRBB

Market risk can be defined as the potential loss from fluctuations in market prices or parameters that have an effect on market prices. The interest rate risk of the Banking Book ("IRRBB") is defined as the current or prospective risk of the impact of negative changes in interest rates on capital and on the financial institution's results for the instruments classified in the banking portfolio.

c. Liquidity Risk

Liquidity risk arises from mismatches between tradeable assets and payable liabilities, i.e. mismatches between payments and receipts, which may affect the Bank's payment capacity considering different currencies and settlement dates applicable to its receivables and payables.

d. Operational Risk

The operational risk framework is in charge of identifying, evaluating, monitoring and reducing operational risk in the Bank. Operational risk is defined as the risk of loss resulting from internal processes, systems, human failure, external events or outsourced services.

e. ESG Risk

ESG risk is the risk that environmental (including climate change), social or governance events or conditions will cause actual or potential negative impacts on the Bank. These risks directly and indirectly affect operations and businesses, and amplify other main risks, such as credit, liquidity, market, compliance, operational and reputational risks. Environmental risk involves potential impacts arising from climate change or environmental degradation, including loss of biodiversity, natural resources and quality of ecosystems.

Climate change refers to prolonged changes in weather patterns, with consequences called climate change risks. These risks may affect the Bank's performance and aggravate financial and non-financial risks. They are divided into:

- Physical Risks:
 - Acute: extreme weather events.
 - Chronic: Long-term changes in weather patterns.
- Transition Risks: result from the transition to a low-carbon economy and include:
 - Reputational: negative perception about climate impacts or lack of preparedness.
 - Market: change in input preferences or costs.
 - Technological: unsuccessful investments or replacement with cleaner technologies.
 - Legal: New regulations that generate costs or require adaptation.

Social Risk refers to negative impacts arising from the mismanagement of social factors, such as human rights, working conditions, inclusion, community safety, impacts on vulnerable groups, and land and community issues.

Governance risk is the risk of negative impact arising from deficient or ineffective corporate governance practices.

Risk management governance

The Bank has a solid and well-established risk governance framework, with an active and engaged Executive Board, supported by an experienced executive team. Decision-making is largely centralized through various executive and risk management committees, which ensure effective alignment and oversight at all levels of the organization.

The Bank's risk management model is based on the three-defense lines framework. Under this model, the First Line of Defense is responsible for assuming and managing risks, as well as implementing appropriate internal controls. The Second Line acts independently, providing oversight, defining policies, boundaries and frameworks, in addition to monitoring and carrying out an *effective challenge* to the First Line. The third line of defense, represented by the internal audit, conducts objective and independent evaluations about the design and effectiveness of controls, risk management and governance processes, ensuring security and adherence throughout the organization.

In order to ensure good risk governance management practices and their alignment with specific regulatory requirements, the Bank has the following risk management committees:

a. Executive Committee (ExCo)

The purpose of the Committee is to discuss, approve and formalize significant issues related to the Bank's corporate governance and controls, providing an appropriate forum for decisions to be made in an effective and coordinated manner by all the Bank's Executive Board. The Committee gathers at least every two months and consists of Executive Directors, in addition to those in charge of Human Resources, Internal Audit, Legal, Commercial and Treasury.

b. Assets and Liabilities Committee (ALCO)

The ALCO is a permanent non-statutory committee whose purpose is to decide on the matters within its competence with respect to the management of assets and liabilities and to assist the Executive Management in fulfilling its responsibilities. Its permanent members are: the Bank's Executive Directors, the *Treasury and Capital Markets Director* and the *Financial Risks Senior Manager*. The ALCO shall meet on an ordinary basis at least every two months.

c. Credit Committee

The Credit Committee is a non-statutory committee which is permanent and is aligned with all BNS global terms, conditions, rules, policies and procedures, as well as with all relevant Brazilian rules and legislation.

d. Risk Committee

The purpose of the Committee is to assist Scotiabank's Management in their duties related to risk and capital management. This committee's responsibilities should be aligned with regulations and legislation, as well as applicable internal corporate policies and standards.

This committee evaluates and discusses significant information about capital management, financial, operational, reputational, business and strategic risks. Moreover, risk appetite levels set in the RAS and the strategies for managing them are analyzed.

e. Audit Committee

The Audit Committee is a body established by its by-laws (CMN Resolution No. 4,910), which reports to the local executive board, and is in charge of monitoring and supervising the accounting standards and procedures set forth by regulations in effect. It is responsible, among other things, for reviewing, prior to publication, the semi-annual (individual) and annual (individual company and consolidated) financial statements of the Conglomerate, including the notes and management report and Independent Auditors' Report

The Audit Committee gathers at least quarterly and is composed of three members, elected by the Conglomerate's Executive Board, one of them being the conglomerate's chief *operations officer* (COO), appointed internal member and coordinator, and the other two independent members, all in office since June 2025.

f. New Initiatives Committee

The purpose of the New Initiatives Committee (NIC) is to ensure that all the Bank's new initiatives undergo due diligence, structured governance and supervision before being launched, ensuring alignment with the Bank's Risk Appetite. The committee acts as a forum to evaluate new initiatives, discuss the results of risk assessments, speed up decisions, and foster a strong and risk-conscious organizational culture in the context of new initiatives. The committee's meetings are held at least monthly, and may be held more frequently if necessary. The minimum quorum for holding meetings is four permanent members.

g. Management Compensation Committee

The Management Compensation Committee is a permanent committee not established by the Company's by-laws which is in charge of supervising and proposing compensation policies in line with Brazilian and global standards.

Risk Management

The Bank, in compliance with current standards and the Bank's global policies, has implemented its Continuous and Integrated Risk Management framework ("Framework"), by means of clearly documented risk management policies and strategies, which establish limits and procedures to keep its risk exposure in compliance with the levels set on its Risk Appetite Statement ("RAS").

The framework described above is compatible with the business model, the nature of transactions and the complexity of the Bank's products, services, activities and processes; it is proportionate to the extent and materiality of the risk exposure; is appropriate to the Bank's risk profile and systemic importance; is able to assess the risks arising from macroeconomic conditions and the markets in which the Company operates; and adopts a prospective approach to risk management.

Also noteworthy, as part of the implemented framework, are the adequacy of systems, routines and procedures, including the periodic assessment of their adequacy for risk management; clearly documented roles and responsibilities; a stress testing program; Business Continuity Management; the issuance of managerial reports to the Executive Board; the assessment of new products and services, significant changes in existing products or services, significant changes in the Bank's processes, systems, operations and business model, hedging strategies and risk-taking initiatives, among other items, with respect to the proper management of risks.

a. Capital Management:

The Bank is committed to maintaining a strong capital base to support its business risks. The Bank's continuous capital management framework, which encompasses internal policies, measures and procedures related to capital management, is in line with BNS's global policy and has been created in conformity with current standards.

The principles that govern the Bank's capital management framework aim at complying with the following requirements: regulatory body regulations; Existence of appropriate governance and oversight; Capital management policies, strategies and measures that focus on the relationships between risk propensity, risk profile and capital capacity; Robust risk management; capital adequacy assessment that is in accordance with governance and capital policies and; Proper systems, processes and controls are in place to help with planning, forecasting, measuring, monitoring and controlling authorized limits and preparing capital reports.

The Executive Board is directly involved in the ongoing management of capital, and is also responsible for annually reviewing and approving the Bank's internal policies. In addition, the Executive Board monitors the level and adequacy of the Bank's capital through periodical reports produced and sent by the areas directly involved in capital management.

b. Credit Risk Management

In line with prevailing standards and the organization's risk management philosophy, the Bank has a credit risk management framework that comprises the analysis and setting of individual credit limits for its clients, as well as the analysis and monitoring of the Bank's aggregate credit risk, which considers all lines of products offered and all economic segments in which borrowers operate.

A credit risk culture is widespread in the Bank and the description of the products offered to borrowers includes the identification of credit, market and operational risks, as well as the information systems that will control them. Individual credit limits for borrowers are approved using the Bank's own techniques/methodologies and reviewed at least once a year, together with the related ratings, which are reviewed every six months for transactions of the same client or economic group whose amount exceeds 5% of the Bank's adjusted equity.

The Executive Board and risk control areas are systematically active in credit risk management, which involves approving individual credit limits and approving institutional policies. Moreover, they monitor the aggregate credit portfolio and evaluate the results of stress tests. These are exercises used to assess the potential impacts of adverse events on the Bank's credit portfolio.

Maximum exposure to credit risk

	<u>2025</u>	<u>2024</u>
Financial assets measured at fair value through profit or loss	1,365,165	478,062
Securities	72,189	61,936
Derivative financial instruments	1,292,976	416,126
Financial assets measured at fair value through other comprehensive income	2,382,321	2,311,867
Securities	2,382,321	2,311,867
Financial assets measured at amortized cost	9,101,064	7,133,993
Interbank funds applied	4,862,283	5,626,418
Securities	2,158,550	-
Loans operations	1,918,845	1,383,162
Other financial assets	161,386	124,413
Items not recorded in the balance sheet	590	590

The Bank's loans to clients are concentrated on low-risk clients. The credit risk of counterparties is distributed according to the following ratings disclosed by *Moody's*: 10% between Aa2 and Baa1; 28% between Baa2 and Ba1; and 62% between Ba2 and Ba3. The other exposures are National Treasury bonds and other sovereign exposures.

c. Market and Liquidity Management

In line with the headquarters' determinations and following the best risk management practices applied worldwide, the Bank has a comprehensive risk management and control framework, integrated and independent from business areas. The purpose is to optimize the risk/return ratio by focusing on an effective monitoring and strict control over risk exposure factors. An integrated set of processes using local and global system platforms is responsible for assessing, analyzing and reporting market and liquidity risks. Risk limits are determined and approved by the local C-level management and head office, and monitored in a preventive manner.

In such scenario, market and liquidity risks are managed daily by using proprietary models and instruments such as *VaR - Value-at-Risk*, short-term liquidity measures, cash flow projections, *stress testing*, backtesting, sensitivity analysis of interest rate, exchange rate and volatility.

Meeting the headquarters' requirements allowed the Bank to meet the requirements set forth by current standards for implementing the continuous and integrated risk management framework, more specifically with respect to market and liquidity risks.

Following a conservative appetite for liquidity risk, the institution establishes that the minimum cash held (sum of cash and highly-liquid equivalent assets) should be sufficient to cover the net outflows that the bank may suffer under a severe stress scenario within 30 days. Moreover, the daily cash flow report projects the liquidity available for the 90-day period, considering the assumptions of the base and stress scenarios. The results of stress scenarios are used to trigger the various levels of the liquidity contingency plan. The purpose of these procedures is to use best practices and measure negative impacts on the Bank's liquidity to avoid cash shortages and difficulties in honoring due dates.

The table below breaks down the consolidated financial liabilities according to the remaining period from the balance sheet date to the contractual maturity date.

Liabilities	Within 3 months	Within 3 to 12 months	Over 12 months	Total
Financial liabilities measured at fair value through profit or loss	39,650	1,105,448	202,699	1,347,797
Derivative financial instruments	39,650	104,854	202,699	347,203
Money market funding	-	1,000,594	-	1,000,594
Financial liabilities measured at amortized cost	5,756,009	1,669,446	4,308,339	11,733,794
Deposits	46,404	1,398,644	-	1,445,048
Money market funding	-	-	967,978	967,978
Borrowings	5,126,900	255,813	1,694,202	7,076,915
Onlendings	-	14,989	1,646,159	1,661,148
Other financial liabilities	582,705	-	-	582,705

Current market risk standards establish that transactions should be classified into trading and banking portfolios.

Trading portfolios consist of instruments, including derivatives, held for trading purposes that meet the following conditions: are free from legal impediment to sale; and are daily measured at fair value, according to criteria set by prevailing regulations.

The banking portfolio includes all transactions not classified into the trading portfolio.

This portfolio includes the Bank's commercial portfolio, such as loans, onlendings and their financing facilities, as well as securities positions that are accounted for at amortized cost and instruments in the treasury portfolio.

In order to assess the effects on profit or loss under possible scenarios, the Bank carries out a sensitivity analysis for each market risk factor considered relevant by management.

i. Sensitivity Analysis 1

Parallel shocks are considered in the curves of the most significant risk factors, such as exposure to fixed interest rates and the coupon exchange rate. Two scenarios are considered for this simulation, in which each risk factor is increased or decreased by 100 basis points. This analysis examines the effects of possible fluctuations in market interest rates on the organization's results.

Trading portfolio

	Scenarios	
	+100 bps	-100 bps
Interest rates		
Exposure to fixed-rate interest rates	458	(458)
Exposure to the coupon exchange rate	(478)	478
Total	(20)	20

Trading portfolio + banking portfolio

	Scenarios	
	+100 bps	-100 bps
Interest rates		
Exposure to fixed-rate interest rates	(8,910)	8,910
Exposure to the coupon exchange rate	(5,176)	5,176
Total	(14,086)	14,086

ii. Sensitivity Analysis 2

Three scenarios are considered that reflect the movements in market interest curves and foreign currency exchange rates on exposures included in the Bank's portfolios. For each scenario, the Company always considers the negative impacts on each risk factor and disregards the effects of the correlation between these factors and tax impacts.

Scenario (I): Parallel shock of 10 base points (increase or decrease) in all the apexes of the interest rate curves. For foreign currencies, a 10% shock (increase or decrease) on current exchange rates.

Scenario (II): Parallel shock of 20% (increase or decrease) in all the peaks of the interest rate curves. For foreign currencies, a 20% shock (increase or decrease) on current exchange rates.

Scenario (III): Parallel shock of 30% (increase or decrease) in all the apexes of the interest rate curves. For foreign currencies, a 30% shock (increase or decrease) on current exchange rates.

It is important to highlight that scenarios (II) and (III) involve events related to strong stress situations.

Trading portfolio

	Scenarios		
	(i)	(II)	(III)
Interest rates			
Exposure to fixed-rate interest rates	(46)	(1,295)	(1,943)
Exposure to the coupon exchange rate	(48)	(992)	(1,488)
Total	(94)	(2,287)	(3,431)
Exchange rates			
Total exposure to exchange rates	(1,381)	(2,761)	(4,142)

Trading portfolio + banking

	Scenarios		
	(i)	(II)	(III)
Interest rates			
Exposure to fixed-rate interest rates	(891)	(25,135)	(37,702)
Exposure to the coupon exchange rate	(518)	(5,819)	(8,729)
Total	(1,409)	(30,954)	(46,431)
Exchange rates			
Total exposure to exchange rates	(1,282)	(2,565)	(3,847)

iii. Stress Testing Program

The Bank's Stress Testing Program ("Program") provides the main items to be observed in connection with the stress tests conducted in the Bank, as well as the definition of the best practices and methodologies used in the market to strengthen the usefulness of stress testing during decision-making processes by management. The Program is detailed on a specific document approved by the Bank's Executive Board, which includes the stress testing activities performed by the Bank, covering, among others, impacts on regulatory capital and mainly market, credit, liquidity and interest rate risks. The Bank has an operational risk management framework in charge of identifying, evaluating, monitoring, controlling, mitigating and reporting on risks.

d. Managing Operational Risk

To support this process, Scotiabank Brasil Group has specific tools and programs for managing operational risk, each with a defined methodology and procedures. The Bank's operational risk framework also includes the involvement of the Executive Board, which is immediately involved in all significant risk events and actively participates in monitoring the actions aimed at mitigating and solving these events. In addition to daily monitoring, the Risk Management Department also reports the main operational risk events, as well as key risk indicators on a report monthly sent to the Bank's main stakeholders and Executive Board.

e. ESG and Climate Risk Management

Social, environmental and climate risks (CSRs) are managed together with the Bank's other types of risk, and are considered in the due *diligence and* credit granting and approval processes. They represent one of the main non-financial risks of the entity.

Identifying, evaluating, mitigating, and implementing controls are essential steps for effective ESG risk management. These processes ensure that those responsible for risks periodically identify and assess the most significant risks, considering their potential impact, and check the effectiveness of mitigators and related controls, including those performed in a centralized manner by other functional areas on behalf of the First Defense Line.

Risk Appetite Framework

The *Risk Appetite Framework* – RAF regulates the risk activities undertaken by the Bank, articulating the amount and type of risk the Bank is willing to assume in order to achieve its strategic and financial objectives. Key elements of the RAF include the identification of risk-taking capacity, the RAS (*Risk Appetite Statement*), the risk appetite metrics, and the description of the roles and responsibilities of those involved in the implementation and monitoring of the RAF. The RAS is detailed on a specific document approved by the Bank's Executive Board, which sets out the types and levels of risks the Bank is willing to take, considering the Bank's risk management capacity, the Bank's strategic purposes and the regulatory environment in which the Bank operates.

Channels for the dissemination of the Bank's risk culture

The Bank's risk culture is shaped by several factors, such as the risk governance framework, risk appetite, organizational strategy, corporate values and management tools used. A strong risk culture fosters behavior in line with the Bank's values, encourages responsible decision-making and allows collaborators to identify activities that go beyond established risk appetite. The organizational culture, in general, directly influences the way risks are perceived and managed, reflecting on the conduct of employees.

Top leadership and board of directors play a key role in setting the "Tone from the Top", clearly communicating values, ethical principles and expectations for behavior. They should also encourage an environment where everyone takes responsibility for "doing the right thing." Leadership reinforces this culture by setting an example on a daily basis and promoting desired attitudes, and continuous communication and training on values, risk appetite and ethical conduct are essential to maintain a solid risk culture disseminated throughout the organization.

Scope and main characteristics of the risk measurement process

The Bank is committed to conducting its business in accordance with applicable Brazilian laws and standards issued by regulatory agencies, as well as in line with best market practices.

The Bank strives for the maintenance and strict observance of its internal guidelines and procedures, which are duly documented through regulations and manuals (the "Policies") designed to comply with regulatory requirements and cover the internal control and risk management procedures followed by the Bank.

The Support Departments are jointly and/or individually responsible for supporting, maintaining and improving internal control systems focused on risks directly related to the Bank's activities, within the limits of their competence.

Policies are prepared according to the specific needs identified by the departments involved in risk management processes, the requirements of regulatory agencies and possible requests received from the BNS.

Identifying and Assessing Risks

The Bank's risk assessment and management process consists of an integrated set of processes, using local and global system platforms, as well as specific tools, which are responsible for assessing, analyzing and reporting market, credit, liquidity, operational and capital management risks. The purpose of this framework is to ensure an appropriate understanding of the nature and magnitude of the risks related to the activities carried out by the Bank, therefore enabling the proper implementation of the strategy and the fulfillment of the Bank's objectives. In particular, risk limits are determined and approved by the local management and by the BNS, and monitored in a preventive manner.

The procedures followed for identifying and measuring risks seek to cover all actual and potential risks that may affect or have an impact on the Bank's activities, with the purpose of ensuring the consistency of the data included in the daily and periodical reconciliation between the Business Areas and the Support Areas. In such scenario, market and liquidity risks are managed on a daily basis, through the use of proprietary models and instruments such as *Value at Risk* (VaR), *Stress Test*, *backtesting*, analysis of interest rate, exchange and volatility sensitivity, projected cash flows under normal and stress scenarios, among others.

The risk assessments and action plans of each new initiative are formalized in the NIRA (*New Initiative Risk Assessment*) system and discussed at the meetings of the New Initiatives Committee, following pre-established and approved procedures and methodologies.

The Support Departments are also concerned about continuously reviewing and monitoring their processes to avoid weaknesses and always aiming at managing the main risks to which the Bank is exposed, whether they are related to credit, market, liquidity, non-compliance, operational, information systems, strategy or reputation.

The Bank fully meets the requirements set by the Central Bank of Brazil (BACEN) to implement the market, liquidity, operational and capital management risk framework. In addition, since July 2008 the Bank has been assessing minimum capital requirements for the several risks it is exposed to.

Reporting process

Another concern is the quality of the information about risks and results that is provided to the Executive Board, regulatory agencies and the BNS. Periodical reconciliations make it possible to check for possible differences between the amounts recognized in the local balance sheet and managerial information and reports. Risk limits are determined and approved by the Board and by the BNS, and monitored in a preventive manner. The main reports for each risk domain are described below:

a. Credit Risk

The Bank has a credit risk management framework that comprises the analysis and setting of individual credit limits, as well as the analysis and monitoring of the Bank's aggregate credit risk. The main reports are:

- Daily report for monitoring credit limits for treasury products.
- Monthly report on risk exposure per client prepared by the *Risk Management Department* and distributed to Top Management;
- Integrated Stress Test Quarterly Report.

b. Market Risk

In conformity with the Bank's global policies and current rules on the matter, transactions are divided into the trading and banking portfolios.

The banking portfolio's risk is monitored by mapping interest rate mismatches and stress tests. The metrics considered by the Entity to measure the interest rate risk of transactions classified into the banking portfolio are the Delta EVE, the embedded gains and losses and the Delta NII. The main reports are described below:

- Daily Foreign Exchange Exposure Report;
- Daily Interest Rate Sensitivity Report (DV01);
- Daily Executive Report on Risks and Limits;
- Integrated Stress Test Quarterly Report;
- *Weekly Backtesting Report*;
- Possible reports on demand.

c. Liquidity Risk

The Bank has the responsibility for monitoring the Bank's liquidity risk, according to the parameters and duties defined by the BNS. The Bank's liquidity risk management procedures comprise current standards and local and global policies.

- Daily Managerial Reports on Liquidity Risk;
- Monthly Managerial Report on Minimum Cash;
- Integrated Stress Test Quarterly Report.

d. Operational Risk

The operational losses portfolio, as well as key indicators and new operational risk events, are monthly reported on the Operational Risk Report. In addition, the results of evaluations are also reported regarding:

- Annual Assessment of Risk Controls (RCSA);
- Evaluating New Initiatives
- Scenario Analysis

e. ESG and Climate Risk

Below are the main internal and external reports related to ESG risks:

- Customer Service Risk Monitoring Report
- Social, Environmental and Climate Risks and Opportunities Report – GRSAC

Stress Testing Program Steps

The main stages of the Stress Testing Program will be presented throughout this item, so as to ensure that the Bank's main material risks are captured and understood by those involved in the process.

Market Risk

The Market Risk Policy describes the main characteristics of the stress tests applied for measuring the impacts deriving from losses due to severe changes in risk factors in the trading portfolio, including their frequency, the variables impacted and the stress scenarios used.

The stress tests performed are:

- Value at Risk (VaR) and Stress Test
- Structural Risk Analysis
- IRRBB (Income Tax Return)
- Comprehensive/Integrated Stress Testing

Liquidity Risk

Stress tests conducted to measure the impacts on the Bank's net cash flows resulting from shocks of material variables. Moreover, the Liquidity Contingency Plan has the main warnings, indicators and contingency actions in times of stress.

The stress tests performed are:

- Risk Stress Scenarios Market
- Credit Stress Scenario
- Market + Credit Stress Scenarios
- Minimum cash
- Reverse stress - fluctuations in US dollar rates combined with withdrawal of CDBs
- Comprehensive/Integrated Stress Testing

Credit Risk

Stress tests carried out to measure the impacts of a possible deterioration in the credit risk of the Bank's clients on expected results and capital structure. The credit stress test is performed in the context of the comprehensive/integrated stress test.

Basel capital ratio and operational limits

The Bank determines the operational limits of Basel Accord according to consolidated data from the prudential conglomerate ("Bank" and "Brokerage Firm"), according to prevailing standards.

As of December 31, 2025, the Conglomerate's extended Basel capital ratio was 30.34% (51.65% in December 2024). Other operational limits are also required by the regulatory agency, such as the Fixed Assets Ratio.

Basel III	2025	2024
Total capital	3,029,951	3,223,084
Risk-weighted assets (RWA)	9,031,495	4,993,609
Credit risk (RWACPAD)	3,853,561	1,997,032
Market risk (RWAMPAD)	3,657,009	1,891,653
Operational risk (RWAOPAD)	1,520,925	1,104,924
Additional minimum core capital required for RWA	225,787	124,840
RC held for IRRBB coverage	100,166	130,941
Minimum RP for RWA	722,520	399,489
Margin - without ACE and IRRBB	2,307,431	2,823,595
IB - Extended Basel Capital ratio	30.34%	51.65%
Capital Conservation Buffer	225,787	124,840
Regulatory capital margin - broad*	1,981,478	2,692,654

* In 2025, the Regulatory Capital Margin – Broad started to include the Additional Common Equity (ACP), in accordance with BCB Regulatory Instruction 651. The note for December 2024 considered only the minimum RC for RWA and the RC maintained for IRRBB coverage. The restatement reflects the proper application of the criteria set by the current standard.

24 Other information

The fees paid to external auditors for audit and non-audit services are annually disclosed in the *Annual Report* of The Bank of Nova Scotia ("BNS").

Executive Board		Accountant
Paulo André Campos Bernardo	Jaques Mester	Roberto Shoji Haga
Izabel Eliza de Oliveira Salvucci	Fabio Tirulli de Sousa	CRC 1SP242224/O-6
Rodrigo Almeida Sergio	Fabio Chiamolera Jacob	
Luciana Chi		